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Strengthening of the United Nations system

Human resources management

Joint Inspection Unit

Administrative and budgetary coordination of the United Nations with the specialized agencies and the International Atomic Energy Agency

Report of the Joint Inspection Unit on liaison offices in the United Nations system

Note by the Secretary-General

The Secretary-General has the honour to transmit to the members of the General Assembly the report of the Joint Inspection Unit entitled "Liaison offices in the United Nations system" (JIU/REP/2007/10).

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LIAISON OFFICES IN THE UNITED NATIONS SYSTEM

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Geneva 2007

EXECUTIVE SUMMARY

OBJECTIVES:

To gain an insight into and better recognize the diverse roles of liaison offices (LOs) in the United Nations system and to propose criteria and measures to maximize their effectiveness.

MAIN FINDINGS AND CONCLUSIONS

Questionnaires were sent to 26 entities maintaining offices away from their headquarters to represent them at the headquarters of other organizations of the United Nations system, and about 150 confidential validated interviews were held with personnel at all levels, in a representative sample of 18 of the 27 offices, located in Geneva and New York.

These offices have a common basic function of representation, similar to the functions implemented by the diplomatic missions of Member States, each one being the eyes, ears and mouth of its parent organization and promoting its interests, through numerous and various partnerships.

This common basic function has evolved into a striking diversity of LOs of varying sizes, with different staffing and funding, tools, styles, partners and political impact on the international stage.

The function of representation has various, not always well-recognized, facets, such as public information, advocacy, fund-raising, project and programme implementation and capacity building. In addition, services are provided to visitors from the parent organization for a variety of purposes.

Nearly all LOs have in recent years been part of the inter-agency process of rethinking and reforming the United Nations system, and have spent much of their strength to that end, sometimes at the expense of other functions.

From an impact point of view, the implementation of recommendations 1 to 7 would increase the effectiveness and efficiency of the overall management, functions and operations of the liaison offices. The implementation of recommendation 8 will also enhance the accountability of the liaison offices.

RECOMMENDATION 2: FOR THE LEGISLATIVE BODIES

The legislative bodies of the United Nations system organizations concerned should recognize the critical role of the representation function of the liaison offices and provide them with core funding from the Organization's regular or administrative budget, commensurate with the basic tasks to be performed (see paragraphs 11-16, 75-76, and 92-95).

RECOMMENDATIONS FOR THE EXECUTIVE HEADS

Recommendations 1 and 3 to 8 are addressed to the executive heads, in order that they may:

- Review and assess on a participative basis the strategic importance of their respective liaison offices and the intended impact on their partners and set priorities for these offices, applying a results-based management (RBM) approach (recommendation 1, paragraphs 50-55 and 93-94);

- **Within an appropriately-sized office and a balanced post structure, optimize the use of the skills and competencies of the current staff, and of any specialized staff out-posted from headquarters to the liaison offices concerned, who are additional to the nucleus of core funded posts, without impinging upon either the authority of their director or the cohesion of the office (recommendation 3, paragraphs 56-65, and recommendation 4, paragraphs 60-62);**

- **Ensure proper and timely succession planning through a competitive and fully transparent process, focusing on managerial competencies in the case of the heads of offices (recommendation 5, paragraphs 66-68 and 94);**

- **Ensure that liaison office staff members make full use of learning opportunities, including training, offered by their parent organization and, at their location, by the training sections of the United Nations and other agencies, extending their services in a spirit of collaboration and reciprocity (recommendation 6, paragraphs 69-70);**

- **Using modern communication technologies, such as teleconferencing, improve information sharing between the liaison offices and all other relevant units of the parent organization to sharpen their negotiating and advocacy functions, as well as within each liaison office to foster cohesion; (recommendation 7, paragraphs 77-83);**

- **Ensure adequate audit coverage of the liaison offices, based on proper risk assessment (recommendation 8, paragraphs 89-91).**

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ANNEX I

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ABBREVIATIONS

ACABQ	Advisory Committee on Administrative and Budgetary Questions
ACC	Administrative Committee on Coordination
BCPR	Bureau for Crisis Prevention and Recovery (UNDP)
CEB	United Nations System Chief Executives Board for Coordination
CEH	Children's Environmental Health
CERF	Central Emergency Response Fund
DESA	Department for Economic and Social Affairs (UN)
ECOSOC	Economic and Social Council
FAO	Food and Agriculture Organization of the United Nations
GATT	General Agreement on Trade and Tariffs
GEF	Global Environment Fund
HCHR	High Commissioner for Human Rights
HIV/AIDS	Human Immunodeficiency Virus/Acquired immune deficiency syndrome
IAEA	International Atomic Energy Agency
IASC	Inter-Agency Standing Committee
ICAO	International Civil Aviation Organization
ICT	information and communication technology
IDPs	Internally displaced persons
IFAD	International Fund for Agricultural Development
ILO	International Labour Organization
IMF	International Monetary Fund
IMO	International Maritime Organization
IT	Information technology
ITC	International Trade Centre
ITSD	Information Technology Service Division
ITU	International Telecommunication Union
JIU	Joint Inspection Unit
LO	liaison office
MOU	Memorandum of understanding
NGO	non-governmental organization
OCHA	Office for the Coordination of Humanitarian Affairs
OHCHR	Office of the United Nations High Commissioner for Human Rights
OHRM	Office of Human Resources Management
RB	Regular budget
RBM	results-based management
RCNYO	Regional commissions New York Office (United Nations)
UNAIDS	Joint United Nations Programme on HIV/AIDs
UNCTAD	United Nations Conference on Trade and Development
UNDC	United Nations Development Corporation
UNDG	United Nations Development Group
UNDP	United Nations Development Programme
UNDRO	Office of the United Nations Disaster Relief Coordinator
UNEP	United Nations Environment Programme
UNECE	United Nations Economic Commission for Europe
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFPA	United Nations Population Fund
UNGA	United Nations General Assembly
UN-HABITAT	United Nations Human Settlements Programme
UNHCR	Office of the United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
UNIDO	United Nations Industrial Development Organization
UNITAR	United Nations Institute for Training and Research
UNODC	United Nations Office on Drugs and Crime
UNOG	United Nations Office at Geneva
UNOPS	United Nations Office for Project Services
UNOV	United Nations Office at Vienna

UNRWA	United Nations Relief and Works Agency for Palestine Refugees in the Near East
UNU	United Nations University
UNV	United Nations Volunteers
UNWTO	United Nations World Tourism Organization
UPU	Universal Postal Union
WFP	World Food Programme
WHO	World Health Organization
WIPO	World Intellectual Property Organization
WMO	World Meteorological Organization
WSSD	World Summit on Sustainable Development
WTO	World Trade Organization
XB	Extrabudgetary funds

I. INTRODUCTION

A. Definition of liaison offices

1. The primary task of a "liaison officer" which, in military terms, may be traced at least as far back as the legendary Marathon Run of 490 BC, has been to personally relay messages between headquarters and the frontline (and vice versa). In the sphere of international organizations, the establishment of liaison offices (LOs) between one agency and another has a similar mission: to provide a mutually agreed upon, regular and permanent channel to facilitate communication. The European-based specialized agencies first set up LOs in New York during the 1940s and 1950s, while in the following decades, the United Nations funds and programmes established offices in Geneva. In addition, some semi-autonomous offices of the United Nations Secretariat, such as the Office of the United Nations High Commissioner for Refugees (UNHCR), the Office of the United Nations High Commissioner for Human Rights (OHCHR), the United Nations Conference on Trade and Development (UNCTAD) and the regional Commissions, also opened offices in New York. Beyond mere reporting they have, as much as (indeed more than) the military liaison officer, to answer questions and to comment on situations of interest for their Headquarters. A further type of LO appeared, mostly for operational agencies, close to the main sources of much-needed voluntary funding, particularly in Brussels, Copenhagen, Tokyo and Washington, but these are not the subject of the present review by the Joint Inspection Unit (JIU). In addition, some regional offices, such as the United Nations Children's Fund (UNICEF) and the United Nations Office for Project Services (UNOPS) offices in Geneva, do carry out some functions normally attributed to a liaison office, but not as their main function, and for this reason they are not reported on here.

Liaison office: definition

For the purposes of the present report, a liaison office is defined as an office established by one entity (organization, fund or programme) of the United Nations system at the headquarters location of another, to ensure the former's representation and coordination on issues and activities of common interest.

B. Reasons for and objectives of the present exercise

2. In the 1990s, while LOs were still being created or expanded, some doubts were being voiced as to the raison d'être of others. Should the traditional way of liasing be maintained, at notable cost to the organizations, at a time of fast-growing Internet services, cheap travel and a wider range of communications such as telephone, e-mail, tele- and videoconferencing? Such questions were raised in particular by members of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) which on several occasions, in its reports on the proposed programme budget of the United Nations[1], had called upon the Secretary-General to review the functions and staffing of those LOs funded from the United Nations regular budget. This added to existing concerns related to LOs, such as proposals for the creation or reclassification of posts, known cases of serious mismanagement and the fact that no system-wide study had ever been conducted on the subject.[2]

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[1] See documents A/52/7 paras.115-116, A/54/7 paras.106-107, A/58/7 paras.106, A/59/552, and A/60/7, para. IV.43.

[2] Replying to the request made by the General Assembly A/RES/58/270 of 23 December 2003, para .47, the Secretary-General presented his report A/59/395, entitled "Review of the structure and function of all liaison offices or representation in New York of organizations headquartered elsewhere funded from the regular budget". These are the United Nations Conference on Trade and Development (UNCTAD), United Nations Environment Programme (UNEP), United Nations Human Settlements Programme (UN-HABITAT), United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), the Office of the United National High Commissioner for Human Rights (OHCHR), United Nations Office at Vienna (UNOV), United Nations Office on Drugs and Crime (UNODC) and the regional commissions. It contained no recommendations. Following the recommendation of ACABQ, the General Assembly took note of the report. ACABQ reiterated its request in its report on the proposed programme budget for the biennium 2006-2007.

3. The present report is therefore primarily aimed at gaining an insight into and better recognizing the diverse roles of LOs of the organizations of the United Nations system (chapters I-IV) with a view to proposing some criteria and measures to maximize their cost-effectiveness in the performance of their functions (chapter V).

4. With these aims in mind, the Inspector:

- Reviewed the mandates of the offices, their evolution over time, their current functions, level and type of representation and contacts, budgets and staffing;
- Assessed the continuing relevance of LOs and their comparative advantages in the context of new communication technologies;
- Identified their best practices for dissemination across the system.

C. Methodology

5. Due to limited financial and human resources, the Inspector did not undertake an exhaustive inspection, *stricto sensu*, of all these offices, and decided to:

- Focus on functional issues;
- Conduct interviews of personnel at all levels of the inspected offices (including interns and consultants);
- Have the written and confidential summaries of interviews validated by the interviewees;
- Retain for the present report those LOs corresponding to the above definition;
- Select a representative sample of them.

6. In accordance with the internal standards and guidelines of JIU and its internal working procedures, the methodology followed in preparing this report included: (a) a preliminary desk review and "mapping"; (b) a questionnaire sent to 26 JIU participating organizations; (c) about 160 confidential interviews (of which 150 were validated) in 18 offices[3]; and (d) an in-depth analysis of the information and documentation gathered. Comments from participating organizations on the draft report have been sought and taken into account in finalizing this report.

7. In accordance with article 11.2 of the JIU statute, this report has been finalized after consultation among the Inspectors so as to test its conclusions and recommendations against the collective wisdom of the Unit.

8. To facilitate the handling of the report and the implementation of its recommendations and the monitoring thereof, annex I contains a table specifying the intended impact of the recommendations and indicating whether the report is submitted to the organizations concerned for action or for information. The table identifies those recommendations relevant for each organization, specifying whether, in the opinion of the Inspector, they require a decision by the organization's legislative or governing body or can be acted upon by the organization's executive head.

D. Scope

9. Among more than 50 offices across the world, recorded as LOs by United Nations organizations, only 27 meet the operational definition in the box on page 1. These offices are located

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[3] These constitute the solid ground on which most of the findings, observations and recommendations below are based, which could seldom be substantiated in the text, except by a few examples or quotations.

at two major duty stations: 18 in New York and 9 in Geneva (table 1 below). Parent organizations comprise, in addition to the three offices representing United Nations entities (OHCHR, the regional commissions, UNCTAD), eight funds or programmes, represented by 11 LOs, and eight specialized agencies and the International Atomic Energy Agency (IAEA), represented by 13 LOs. Their budgets range between US$ 0.5 and US$ 4.7 million per biennium. The greatest part of the expenditure is dedicated to staff costs; non-staff resources (mostly rental costs) are often administered locally and, with two exceptions, do not exceed US$ 1 million; (See table 3 below). The combined biennial funding from regular and/or extrabudgetary resources amounts to approximately US$ 46.4 million, *grosso modo* for one-third in Geneva and two-thirds in New York, and their aggregated staffing tables to 170 posts: one Assistant Director-General post, 19 Director level posts, 79 Professional posts and 71 General Service posts. The 18 offices inspected in New York and Geneva, have an aggregate funding of US$ 39.3 million, i.e. 84.7 per cent of the total, and a total of 145 staff employed (85 per cent of the total): one Assistant Director-General, 15 Directors, 67 Professionals and 61 General Service posts (See table 2 below). The staffing of the inspected offices ranges from two to 26 with diverse funding and contracting modalities.

Table 1. Mapping of liaison offices in the United Nations system

	Liaison offices in New York		Liaison offices in Geneva
1.	FAO*	1.	FAO*
2.	IAEA	2.	IAEA
3.	ILO*	3.	UNDP*
4.	OHCHR*	4.	UNESCO*
5.	UNCTAD*	5.	UNFPA*
6.	UNEP*	6.	UN-HABITAT
7.	UNESCO*	7.	UNIDO*
8.	UN-HABITAT	8.	UNRWA*
9.	UNHCR*	9.	WFP*
10.	UNIDO*	* *Inspected liaison offices (18 out of 27)*	
11.	UN regional commissions*		
12.	UNRWA		
13.	UNODC/ UNOV		
14.	UNWTO		
15.	WFP*		
16.	WHO*		
17.	WIPO		
18.	WMO		

E. Acknowledgement

10. The Inspector wishes to express his appreciation to all who assisted him in the preparation of this report, and particularly to those interviewed who so willingly shared their knowledge and expertise.

II. THE ROLE OF LIAISON OFFICES

11. An LO could be likened to a modem which conveys and translates, in both directions and in the language understood by the other network, the messages exchanged between two entities, each of which transmits and receives alternately in its own respective language, i.e. its own culture and range of activities. In fact, they are communicating through the "modem".

12. An LO acts as the ears, eyes, brain and mouth of its parent organization: it represents it. Concretely, as intelligent eyes and ears, it gathers, analyses, evaluates and reports on selected information deemed to be of interest to its authorities. Indeed, it represents the parent organization to

many diverse partners, as confirmed by the analysis of the terms of reference or mandates of each LO[4] (as a result, each partner sees only a very small part of the activities performed). As its organization's mouth, a liaison officer uses both public and private opportunities to explain the mandate and activities of his or her organization and its current and planned activities, to demonstrate how they meet or could meet the needs of its direct partners and those of the specific country or organization beyond them, by trying always to put him/herself in their shoes and understand their point of view. Finally, the impact of the LO is visible through its influence on ongoing intergovernmental and inter-agency debates and decisions, as well as concrete cooperative actions (see paragraph 16 below).

A. Lack of visibility

13. According to interviewees, many United Nations organizations suffer from a perceived lack of recognition outside their own headquarters location. However, LOs may attract some attention from the local media and delegates, all eyes, in the meanwhile, being turned to the activities of the focal organization. A major element of their visibility is the personality of the Director. The representatives of the United Nations funds and programmes, while playing a major role in the substantive work at General Assembly and Economic and Social Council meetings, often have no single seat reserved for them (no name plates), unlike representatives of the specialized agencies. When, in accordance with the rules, they sit in as observers, they are placed at the back of conference rooms and are allowed to speak only for a limited time, following on after scores of delegates and facing decimated audiences.

B. Many partnerships

14. As listed in their terms of reference (TOR), the partners of LOs are delegates from Member States and from sister organizations, staff from their respective secretariats, members of the media community, representatives of non-governmental organizations (NGOs), and finally the public at large relayed through the media. In carrying out their representation function, they endeavour to gain the support of these partners (advocacy role), including for financial assistance to fund those programmes and/or projects particularly relevant to each of the specific partners. The administrative support services provided by the LO to officials of its parent organization are also based on its representation function. On the other hand, programme implementation does not appear to be a frequent, nor an important element in a LO profile, as this remains the domain of headquarters and field offices. These roles are developed in chapter IV below.

15. So, as any player in a multilateral hub, with its obvious theatrical dimension, an LO must assume various roles, adapted to the relative position and strength of the organization it embodies and to its specific audiences. In each case, it has different objectives, hence different kinds of relations, as expressed in its TOR, and uses different means and communication tools. In some instances, as for the Regional Commissions New York Office (RCNYO), it plays a catalytic role. At his request, the Inspector was given organizational charts showing the allocation of responsibilities and involved partnerships of each LO staff. Some of them were particularly well conceived, by displaying both their geographical and functional "specializations" (UNHCR NY, for example). Lists of groups and bodies in which offices were participating (United Nations Environment Programme (UNEP) for inter-agency bodies and groups) or lists of agenda items of the United Nations General Assembly where the LO had to play an active role (United Nations Educational, Scientific and Cultural Organization (UNESCO) NY), were also provided. Both types were rather impressive, and more extensive than expected. The Inspector also observed in many LOs a trend in recent years towards strengthening relationships with civil society, particularly with universities and NGOs involved in sustainable development (Food and

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[4] As is well expressed in the Food and Agriculture Organization of the United Nations (FAO) Administrative Manual, sections 116.1 and 116.3 the Office "takes substantive responsibility in promoting the reflection of the Organization's policies and positions in relevant discussions and decisions of intergovernmental and inter-agency bodies of the United Nations system meeting ...". UNESCO's mission statement for its New York office additionally refers to donors and civil society.

Agriculture Organization of the United Nations (FAO), UNESCO), and new, unexpected processes such as the Interfaith Partnership in Environment.

16. To sum up, the LO is a hunter of opportunities, having to make quick connections between ideas, texts, activities and contacts with appropriate people at the appropriate levels before timely weaving of these connections into real situations. The ultimate stage of the relationship between one organization and another, or with a Member State, is the notion of cooperation, also found in many TOR. At some point, talks should lead to complementary actions with partners: one of the primary roles of the LOs in this regard being to systematically identify potential areas for and means of cooperation and to prepare minds to meet before any agreement can be sealed.

III. EVOLVING FEATURES

A. Diversity

17. Besides the basic representation function that is common to all LOs, a number of historical, cultural, technological, political and financial factors directly influence their activities. The result is a great diversity in terms of the size and influence of LOs. The four examples below illustrate such diversity and versatility:

United Nations Industrial Development Organization New York Office

18. Created together with the United Nations Industrial Development Organization (UNIDO) itself in 1966, the UNIDO Liaison Office in New York had 10 staff playing a significant role. During the 1970s, it was also the Investments Promotion Centre in North America, with 15 to 20 staff members emulating a climate of competition among experts and nations to promote projects all over the world. Later, the staff shrank drastically after its parent organization had lost the support of major contributors. From 2004 to 2005, for 14 months, it was limited to a P-5/Officer in Charge (OIC) and one General Service staff member. A new Director, appointed in 2005, had taken other responsibilities in the field one month before the inspection, at which time the human resources of the office comprised one P5/OIC, one G5 and one consultant.

World Food Programme New York Office

19. The World Food Programme (WFP) Office in New York developed from a small office in the early 1990s, with one international staff member and two assistants dedicated to liaising with the Governments of the United States and Canada, into a fully-fledged office tasked with inter-agency and intergovernmental liaison, as well as public information and advocacy roles by the end of that decade. From 2003-2005, it was, in addition, involved in private sector fund-raising and the total staff grew to 17 (including consultants and interns). In 2006 there was a refocusing, with the private sector responsibilities phased out and divided between headquarters and the "Friends of WFP" in Washington, DC. All other core functions remained.

United Nations Development Programme Geneva Office

20. As has been the case of the United Nations Development Programme (UNDP) itself, its Geneva office has drastically evolved over the last two decades, from the UNDP embassy in Europe to a specialized business place. Fund-raising and partnerships have become the new priorities, besides the representation function. With the opening of offices in some Central and Eastern European countries, Geneva was no longer the hub that it had been for programme implementation. New programmatic areas appeared, such as trade, human rights, HIV and decentralized cooperation. The traditional activities of technical cooperation for development adopted new modalities with capacity building projects in Africa and Latin America managed from Geneva. With the out-posting of staff from UNDP headquarters to Geneva, the LO became the umbrella of several (more or less) autonomous units, with various funding sources, and a staff that performs on multiple fronts.

Regional Commissions New York Office

21. The RCNYO is unique in the sense that it provides substantive services for the commissions, acting as a hub for disseminating information and coordinating positions to ensure greater coherence of programmatic priorities: it reinforces complementarities and creates synergies, playing a catalytic role and bringing the commissions together. It also produces various synthetic reports and publications on their behalf.

B. Historical evolution

22. The examples above show the changes over time of the functions of the LOs. They also reflect the changes affecting their parent organizations. During the three decades following the Second World War, the tendency was for each organization to affirm its autonomy. The gradual realization of the importance of their, often interdependent, roles in the area of economic and social development later led to a better understanding of their common goals, particularly in the context of the major United Nations conferences of the 1990s, and their cross-cutting issues. As a result, the LOs moved away from purely individual diplomatic representation of agencies or their executive heads, to become more involved in inter-agency work (see section E below), particularly in the context of the Millennium Development Goals. The full participation of some LOs in this trend gave them (and hence their parent organizations) a renewed strategic importance, favoured by the realization of many Member States that they themselves had to be more consistent in their various representation roles within the United Nations system.

C. New York and Geneva

23. The reasons for establishing liaison offices in New York and Geneva can be found in the comparative advantages of these two cities, as stressed by LO staff.

24. New York is clearly the political capital of the United Nations with the presence of the General Assembly, the Security Council, the Secretary-General and the heads of key Secretariat departments such as the Department of Political Affairs, Department of Peacekeeping Operations, or the Office for the Coordination of Humanitarian Affairs (OCHA). The additional presence of three of the four main funds and programmes: UNDP, the United Nations Population Fund (UNFPA) and UNICEF, adds development and humanitarian issues to the agenda[5]. With their linkages to the field and voluntary funding, New York is becoming a critical place for key donors and players. For these reasons, it remains the centre of inter-agency political work and the main focal point for its coordination mechanisms.

25. Favoured by age-old Swiss neutrality, the tradition of multilateralism in Geneva has been primarily associated with:

- Humanitarian assistance with the Red Cross, and later with UNHCR and the Office of the United Nations Disaster Relief Coordinator (UNDRO), now the Office for the Coordination of Humanitarian Affairs (OCHA);

- Peace and disarmament with the League of Nations, the Conference on Disarmament and many other timely peace or dialogue events;

- Global human resources and health issues, with the International Labour Organization (ILO), the Hygiene Section of the League of Nations, then the World Health Organization (WHO) and the Joint United Nations Programme on HIV/AIDS (UNAIDS);

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[5] The fourth of these, the World Food Programme (WFP) has its headquarters in Rome, together with FAO and the International Fund for Agricultural Development (IFAD).

- Human rights with OHCHR, in rapid growth;

- Trade with the General Agreement on Trade and Tariffs (GATT), UNCTAD, the International Trade Centre (ITC) and the World Trade Organization (WTO);

- Economic cooperation in Europe with the United Nations Economic Commission for Europe (UNECE);

- Environment activities, UNEP having various units in Geneva, in addition to the secretariats of a number of multilateral environment agreements.

26. Geneva hosts the second United Nations headquarters, as well as 25 international organizations, some 200 Permanent Missions and some 500 NGOs. The United Nations Office at Geneva alone organized 8,657 half-day meetings in 2006. Recently, these developments have led to a reinforced role for the Geneva LOs, requiring staff with specialized backgrounds in such diverse fields as humanitarian affairs, human rights, health and trade, (particularly in the LOs of FAO, UNDP and UNFPA).

D. A regional dimension

27. In New York, some organizations, such as FAO and UNESCO, have given an explicitly regional status to their New York LOs, with mention of "Greater New York" or North America. By way of example: UNCTAD puts on the same footing its global representation function to the United Nations Secretariat, funds and programmes, permanent delegations to the United Nations and its outreach to civil society in North America; the choice made by WHO in favour of "the Great New York" dates from 1999, when the African Office of WHO seconded a senior staff member specifically "to foster awareness of the health problems and priorities of Africa at the United Nations and with greater New York civil society communities"[6]; UNESCO closed its representation in Washington and transferred most of its activities to New York. Some other agencies made a different choice, keeping two offices in New York and Washington (FAO, WFP, WHO and the World Intellectual Property Organization (WIPO)) and, concerning Europe, in Geneva and Brussels (FAO, the United Nations Human Settlements Programme (UN-HABITAT), UNIDO and WFP) and even opening a third office in Copenhagen (UNDP, UNFPA and WFP) with the main purpose of fund-raising. UNEP split its own regional office for North America into two offices: the liaison function was kept in New York and the regional office moved to Washington in 1999-2000. The ACABQ reacted strongly to the existence of two separate UNEP offices in North America and two UN-HABITAT offices in Europe and recommended in favour of relocation and streamlining.[7] In response, UNEP emphasized the difference between the functions carried out by its two offices, and their different partners, concluding that reuniting the two offices would not result in either improved cost efficiency or savings, particularly if the relationships and partnerships by now established in Washington were only maintained through frequent travel.

28. From a strategic point of view for the United Nations system organizations, is there duplication or competition of functions between New York and Washington in North America, and between Geneva and Brussels in Europe, between the global functions and the regional functions? Or are there subsidiarity and complementarities? This depends on the functions entrusted to them: where global representation as such is primarily concerned, New York and Geneva are considered to be of critical importance; where fund-raising is the major preoccupation (as well as for contacts with both the United States of America and the international financial institutions or with the operational services of the European Commission), Washington and Brussels would take the lead.

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[6] From "The road ahead", an interesting 2004 non paper on the WHO New York office.
[7] See A/60/7, section IV, paras. 43 and 50.

E. Dynamics of inter-agency work

29. The most striking of all the evolving features of the work of liaison offices is the inter-agency coordination role which is today at the forefront of, even sometimes taking precedence over, the intergovernmental representation function. It is carried out on a daily basis under the umbrella of any of the existing United Nations inter-agency coordination mechanisms such as the United Nations System Chief Executives Board for Coordination (CEB); the United Nations Development Group (UNDG); the four executive committees created in 1997 within the United Nations Secretariat, the Secretary-General's Policy Committee and other United Nations reform bodies, and the Inter-Agency Standing Committee/Executive Committee for Humanitarian Affairs (IASC/ECHA), or their respective affiliates.

30. Participation in many inter-agency mechanisms, as legitimate as it might be, has proved to be highly demanding, in terms of time and resources for most agencies, but primarily for those represented through their liaison offices in New York and Geneva, given the increasing number of meetings and the complexity of the issues discussed. Decisions are often taken without enough time for the LOs to consult their headquarters and obtain the result of their decision-making process. The preparation and the follow-up of all these meetings have taken a real toll on the time and energy of some LO staff members. The Inspector hopes that the period 2005-2006 has seen the culmination of this situation, with the one-time comprehensive programme of work and visits of the High Level Panel on System-wide Coherence in the areas of development, humanitarian assistance and the environment, which was nearing completion at the time of the inspection in New York. On the Panel's own website, the process was summed up with humour as: "meet, consult, meet, consult, draft, redraft, meet, redraft, meet, redraft"[8].

31. The Inspector heard some concerns about the delineation of responsibilities between UNDG and CEB, about the relationship between the members of the Executive Committee and UNDG support group members, and about the leading role of UNDP. The Inspector hopes that these issues will be addressed by the General Assembly within the ongoing discussions on United Nations reform.

32. One particular example is that of OHCHR which, in addition to its representation role in inter-agency groups concerned with its own area of specialization, is the sole member of all four United Nations executive committees, in line with a decision of the Secretary-General aimed at integrating human rights into all areas of United Nations activities– a role that is not always welcome. The New York office is thus frequently called upon to represent the High Commissioner, at the Under-Secretary-General level, at all four of the executive committees and their numerous sub-groups, given that so many of their meetings are held in New York. The New York LO must, therefore, develop expertise on issues other than human rights in order to identify entry points in any decision-making process. This difficulty is compounded by the limited staffing of the LO. This was the only LO where the Inspector was not able to carry out interviews with all selected persons, not through any lack of goodwill, but rather due to the fact that all staff was otherwise fully occupied elsewhere, as confirmed by reference to a shared Lotus Notes timetable. Before considering the request of the Inspector, some staff members had already to decide which meetings, where their presence was simultaneously required, they could afford to miss! Mainstreaming might, for similar reasons, overload the UNEP office in New York in future.

33. Inter-agency coordination also takes place on a bilateral basis among organizations, often regulated by memorandums of understanding (UNIDO) or based on joint bilateral or multilateral programmes, implemented in some cases by LOs. The Inspector identified a number of them in the areas of forestry and timber (ECE and FAO), trade (UNCTAD, UNDP, World Bank, ITC, International Monetary Fund (IMF) and WTO) or on more specific topics such as child environmental health and climate change (CEH) mobilizing UNEP, UNICEF and WHO.

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[8] Summary of the Recommendations of the Secretary-General' s High Level Panel on System-wide Coherence, November 2006 (www.undg.org).

34. For 10 years, monthly informal meetings among the Directors of LOs in New York have allowed direct exchanges on issues of common interest. In Geneva, a similar process of working lunches was started in 2004, and received new impetus from late 2006 benefiting further from the introduction of the clever principle of rotation of responsibility.

F. Launchers of initiatives

35. The relative autonomy of LOs and their (outposted) staff, as well as their unique position between political discussion and hands-on activities (all the while in contact with other partners and field offices), have enabled some offices to launch influential new initiatives, more or less successfully. For instance, the Geneva office of UNFPA was the launch platform for the Emergency Response Office, the predecessor of the Humanitarian Reproductive Unit: this was so successful that it was relocated to Headquarters, leaving Geneva only as a simple channel to liaise with donors and keep New York informed. Space is too limited to quote here a number of other effective, sometimes financially profitable, initiatives, including with partners of civil society, where the role of LOs or some of their staff members was decisive.

IV. OTHER FUNCTIONS

A. Public information and advocacy

36. New York and Geneva offer different supporting environments to the information officers of the LOs. Both cities enjoy a community of media specialists from the world's press agencies as well as, although less and less so, from the major newspapers and television and radio channels. In New York, interest lies mainly in the political aspects of the United Nations, in particular Security Council affairs, whereas the Geneva press professionals are a priori interested in all aspects, including operational, of the activities of any organization of the system.

37. For many years, some LOs discharged their information function through the operation of documentation centres, frequently run with support staff responding to requests from individual users and disseminating the press releases and publications of the parent organization. The explosion of Internet, research engines, virtual libraries and knowledge sharing sites has revolutionized this classic modus operandi.

38. Outreach and advocacy became major components of the strategy of organizations competing for visibility and funding. Professional staff were entrusted with establishing contact with the media and the general public through interviews, press conferences and briefings, organizing special events from the local to the worldwide level and building up partnerships with civil society, NGOs and the private sector, in order to reposition their organizations and communicate selective messages, in line with established corporate priorities. The exceptions were some two small LOs, ILO (because of post vacancy) and FAO where the function remains with the headquarters. In offices where no officer was dedicated to communication or public information, heads of offices, liaison or substantive officers carried out the outreach and advocacy functions through daily interventions, as well as delivering both informal presentations and formal speeches to various audiences.

39. A few LOs still disseminate information using more traditional methods, among them FAO in Geneva, ILO and the Regional Commissions Office in New York. They maintain documentation centres with hard copies of documents that nowadays can easily be found on the Internet or are located at central libraries. None of these offices could respond to the Inspector's query about the number of requests received. Some LOs are seeking solutions to the problem, for example at the Regional Commissions Office in New York, where staff members concerned are assigned additional responsibilities for maintaining the office website (for dealing with frequently asked questions), or for working with the network of headquarters libraries (for the collection and dissemination of publications and other relevant documents).

40. The UNDP and WFP LOs are at the forefront of the new communication concept and are the best equipped in terms of staff to carry it out. The post of Deputy Director of UNDP Geneva is dedicated to this function, covering all European countries (except the Nordic States, the United Kingdom and Ireland), together with a team including a communication partnership manager. In addition, in isolation from that team, a senior project staff member is heading the Communication and Publications Unit of UNDP-GEF (Global Environment Facility), responsible for the dissemination of information on the impact of projects implemented and for maintaining relationships with constituents. Although the Geneva office launched and produced in the past a very successful television production (called Azimuth) presenting the activities of UNDP and its sister organizations in the field and broadcast by nearly one hundred channels worldwide, television production is no longer entrusted to the UNDP Geneva office.

41. Communication is not a function of FAO offices, with the exception of some contacts with the media in the frame of special opportunities such as round tables or workshops. Press releases are prepared and issued by headquarters. However, FAO liaison offices are innovative in communicating with delegates through PowerPoint presentations and their own websites. Websites are very unevenly used by LOs to disseminate information and the quality of support and available information on or from the LOs varies from minimal (UNDP, UNESCO) to active (FAO, UNEP).

B. Fund-raising

42. The majority of LOs have only a facilitating fund-raising role through advocacy. Among the principal exceptions, UNDP Geneva has made fund-raising its first strategic priority for a number of European countries, has been delegated authority and is accountable for results, with measurable financial indicators. Through the organization of creative events, such as yearly football "match against poverty" matches organized with the participation of Zidane, Ronaldo and their friends, it has raised US$ 1.5 million dedicated fully to financing field projects. Additional funds were raised through galas, concerts and sports competitions (US$ 700,000). The use of the major part of these funds had not been yet decided at the time of the inspection, months after income recording.

43. In a quite different way, WFP, as already mentioned in paragraph 19 above, first established a private sector fund-raising function at its New York office between 2002-2005 and further decided to outsource it. Officials responsible indicated that the organization lacked the required in-house expertise to effectively carry out this function.

C. Operational activities

44. In the past, some LOs have been very active in operational activities, including the involvement of NGOs. Currently, the following four inspected LOs carry out capacity building:

a) UNDP Geneva is involved in capacity building in the following areas:

- Trade: one professional staff member is fully dedicated to the management of the trust fund of the Integrity Framework set up by the Hong Kong Ministerial Conference of 2005 to help the least developed countries to mainstream trade in national plans to fight poverty through technical assistance projects (15 countries, with a ceiling of US$ 1 million per project);

- Human rights: one professional staff member is working in a programme to integrate the human rights dimension in various countries and conducting pilot studies;

- Partnerships: a Hub for Innovative Partnerships has been created at the LO, led by a D-1 and staffed with two other Professionals to develop a cooperation strategy with regional and local Governments through a territorial approach to development, and encourage links between local authorities and NGOs.

b) FAO Geneva is conducting capacity building, through the organization of round tables and workshops on trade issues in Geneva and a joint venture with UNECE on forestry in countries with formerly centralized economies. Two professional staff and one consultant are in charge.

c) FAO New York office used to liaise between FAO Rome and OCHA in New York on the design and approval of projects under some trust funds.

d) UNFPA Geneva plays a similar triangular bridging role for country appeals in humanitarian emergencies, carries out research and development, provides technical advice to the field on reproductive health and sexual abuse and conducts training of trainers for Médecins Sans Frontières and the International Federation of Red Cross and Red Crescent Societies.

45. Additionally, RCNYO is now the clearing house for the "development account" projects to enforce complementarities and create synergies. A database has been developed and a matching exercise done to determine similarities among project proposals submitted by the different regional commissions. Through this exercise the projects have been rationalized and efficiency savings achieved.

46. In principle, regional and country offices should be in a better position than LOs to undertake some of the above-mentioned activities. Bringing the assistance closer to the intended beneficiaries is one of the main purposes of decentralization policies.

D. Support services

47. As for any office away from headquarters, LOs provide support services to managers and staff on official mission to the host country; they arrange meetings, press conferences, presentations, launching of publications, etc; prepare notes, briefings and speeches for them, organize office facilities, make hotel bookings and may provide transportation for them. The accumulation of such tasks could be time-consuming and sometimes disruptive of the office work, because of the extra workload they generate, particularly for small offices and during peak periods such as the General Assembly, the Economic and Social Council, special events and conferences when high-level officials are received. RCNYO for instance provides backup to the regular meetings of the Executive Secretaries held two or three times a year and to the annual meetings of the chiefs of programme planning of the commissions, which may consist of 15 to 20 persons at a time, with the support of one Professional and three General Service staff. To arrange effective services during this period, without having to resort to temporary staff or excessive overtime, the head of office schedules flexible working hours for support staff. Some New York and Geneva LOs take advantage of the presence of visitors to organize briefings for the staff and larger audiences on issues of interest, a good practice that the Inspector encourages.

48. Despite repeated efforts from both sides, the Inspector was not able to obtain from the Department of Safety and Security in New York any statistics on the number of visitors from each organization having requested ground passes in 2005 and 2006, which would have helped assessing the efficiency of their LOs' representation function.

49. In view of the variety of functions carried out by the LOs, which goes far beyond the initial concept of liaising, a number of organizations have opted for a more general denomination such as "UNDP Office in Geneva" or "the New York Office of OHCHR". The Inspector would encourage other organizations to do the same.

V. RESOURCES AND MANAGEMENT

A. Results-based management: planning, reporting and evaluation

50. Work plans and individual work plans are not only a planning tool but also a prerequisite for enforcing accountability for results, through the performance appraisal system. However, most of the LOs inspected do not apply a results based approach as a planning tool, even though their parent organizations have formally adopted it. With rare exceptions, such as WFP New York and Geneva and UNHCR New York, their annual work plans, if any, and individual work plans in use at the time of the inspection did not go beyond defining objectives, goals, and activities. The expected results and their indicators of measurement are usually lacking.

51. In all LOs, a living calendar is the main tool for planning, organizing meetings (assigning responsibility for attendance on a case-by-case basis) and sometimes reporting. In this connection, WFP New York even holds morning meetings of professional staff to establish priorities for the day. In the view of the Inspector, these are helpful planning tools but they do not suffice and could not substitute for effective results planning. As a stand-alone practice, they constitute poor planning.

52. The Inspector acknowledges the impact that some external factors, such as the high number of meetings called at short notice, could have on effective planning. Notwithstanding the above, he believes that the only way to minimize their negative effect is through prioritizing LO functions at the organization level; this would help in sorting the many functions to be undertaken and meetings to be attended at the LO level, through some flexibility. LOs need to be fully reactive in a timely manner, even in cases of conflicting obligations. This is when prioritization is most necessary. Prioritizing means being proactive and not only reactive to external factors. Prioritizing implies a critical rethinking by LOs of each of their functions in terms of expected impact. Managers of LOs need to set priorities in line with established strategic objectives as defined by their parent organization at the executive level.

53. In conducting such critical rethinking the questions to answer are: what do we want to achieve? How can the expected impact be measured? What resources (including time) should and could be allocated to it? What kind of meetings should be actively followed (physical presence, oral interventions and written records) or could be serviced through shared attendance with colleagues from other organizations? What aspects are essential in reporting to all concerned at headquarters and the field? What is the optimal frequency and format of reporting? How could new technologies be better used to these ends?

54. Self-evaluation is a must for reporting purposes and reporting on results is the regular way to demonstrate the value added of these offices. Further, self-evaluation is critical to feed back findings into the planning process. Through this type of exercise, WFP New York, for instance, realized the need to strengthen its representation function at the intergovernmental level since it has been overtaken by other priorities at the inter-agency level.

55. In this connection the Inspector noted that some LOs prepared weekly/monthly summaries and annual reports of activities. They did not, however, usually report on impact, which is not to be confused with the immediate outcome of meetings. Only the ILO New York office reported at the year-end on how the office contributed to meeting established organizational goals.

Recommendation 1

The executive heads of the United Nations system organizations concerned should thoroughly assess the strategic importance of their liaison office(s), and define priorities for them in terms of intended impact, using results based management (RBM) as a planning, reporting and evaluation tool.

Recommendation 2

The legislative bodies of the United Nations system organizations concerned should, based on the assessment of their liaison office(s) by the respective executive heads, recognize their strategic role and provide core funding from the organizations' regular budgets commensurate with established priorities.

B. Balancing the staffing structure

56. The actual staffing of LOs at the time of inspection (2006), excluding vacant posts, but including consultants and interns, varies greatly, between three (UNRWA Geneva, UNIDO New York, UNESCO Geneva) and 26 staff (UNDP Geneva). In fact, most of these offices have between eight and 12 staff (see table 2 below). The Inspector believes that there is no magical standard formula to determine the optimal number of staff of an office. Applying the RBM approach, the staffing of an office is determined by the results to be achieved in line with the established strategic priorities for that office.

57. In the Inspector's view, most of the inspected LOs were adequately staffed in terms of the number of Professional posts in the approved staffing table. However, the staffing structure was unbalanced in some instances (at FAO New York and Geneva, UNEP, WHO and the RCNYO) where the number of support staff was equal to or higher than the Professional staff. (It appeared that some functions currently performed by support staff could be streamlined, such as finance and administration, librarianship, taking dictation, typing, opening the door to visitors, filing and distributing documents).

58. The Inspector is particularly concerned with the efficiency of the function of administrative and finance assistant. In his opinion, given the limited delegation of authority granted to these offices, the number of transactions and human resources actions processed does not justify the employment of two full-time staff at WFP New York nor one full-time assistant at the FAO and UNFPA offices in Geneva. The organizations concerned commented that these persons also carried out support services for visitors, meetings and consultations. At UNDP Geneva, at the time of the inspection, as many as five finance assistants and two human resources assistants were employed in various sub-units to support project implementation or provide services on a cost-sharing basis to other offices.

59. The Inspector also found that staff members were highly graded at some offices. For instance, at UNDP Geneva most of the support staff (two G-7, five G-6) and half of the Professionals (one D-2, one D-1, five P/L-5) were in senior positions due to lack of career opportunities and mobility, and possibly as a result of the out-posting of professionals from certain headquarters divisions to distinct units.

60. Outposted staff perform tasks that required a certain degree of expertise beyond the knowledge expected of a good generalist. They are linked in terms of funding and technical support to the releasing division and are operationally independent, with direct reporting lines to headquarters. From the Inspector's observations, such arrangements could work very well as long as the administrative and technical lines of authority are clearly defined and do not try to impinge on each other.

61. The price to pay today for having some out-posted specialists within a LO is that they are not entirely available to the office: the importance of the work done and time spent abroad to give high level technical advice (including through publishing) to field offices and projects should not be underestimated. Pursuing this kind of work with very few staff members also diminishes their availability and concrete possibilities to represent the parent organization through actual participation in Geneva or New York meetings of all kinds. The net result is a very strong requirement for new technical specialized capabilities among the LOs staff, to enable them not only to inform, but, as acknowledged by some recent terms of reference of LOs, "to advise" their headquarters on technical issues.

62. The cost-effectiveness of such arrangements should be reviewed to ensure that additional structures are not created at the liaison office level with posts that are artificially highly graded. Ultimately, the staffing table of the office and job descriptions should be reviewed to ensure that new strategic priorities are addressed.

63. In this connection, the Inspector noted that the terms of reference of the office and job descriptions of liaison office staff were often too general or outdated. WFP New York has recently undertaken a reclassification exercise of all posts and it is applying generic job descriptions that could serve as a model for other LOs.

64. Heads of offices at the time of the inspection were also differently graded: one at the Assistant Director-General level (WHO New York), five at the D-2 level (UNDP Geneva, OHCHR and UNHCR, FAO and UNESCO in New York), and three at the P-5 level (UNCTAD and UNIDO New York, UNRWA Geneva), while the majority of them are at the D-1 level.

65. Some organizations believe that a paramount consideration is that the head of a LO should be graded at a level where he/she can deputize for the executive head of the organization in relation to important meetings, events or local contacts with United Nations officials and missions. The Inspector is of the opinion that the grading should be commensurate with the level of responsibilities attached to it, including the number of staff supervised, which varies greatly from one office to another (see table 2 below). It is possible that too many secretariat officials and delegates give more importance to the grades than to the functions as such.

Recommendation 3

The executive heads of United Nations system organizations concerned should ensure a balanced post structure and grading of the staff of liaison offices, based on its required effective participation in issues of mutual interest at the international hubs concerned and on an inventory of skills and competencies.

Recommendation 4

The executive heads of the United Nations system organizations concerned should conduct a cost-benefit-analysis prior to outposting additional staff, over and above the necessary nucleus of core-funded staff, to liaison offices.

Table 2. Staffing of inspected liaison offices (June to October 2006)

ORGANIZATIONS	ENCUMBERED POSTS			CONSULTANTS	INTERNS	TOTAL	VACANT POSTS
	D	P	GS				
RCNYO	1D-1	1 P-5	1G-7, 1G-6, 1G-4			5	1 P-4
FAO GVA	1D-2	1 P-5, 2 P-4	1G-6, 3 G-5	1		9	
FAO NY	1D-2	1 P-5, 2 P-4	2 G-6, 2 G-5, 1G-4			9	
ILO NY	1D-1	3 P-2	1 G-7, 1 G-6, 1G-5, 1G-4, 1G-2		2	11	1 P-5, 1 P-3
OHCHR NY		2 P-5, 3 P-4, 2 P-3	1 G-7, 1 G-6, 1 G-5, 3 G-4		2	15	1 D-2
UNCTAD NY		1 P-5, 1 P-4, 1 P-3	1 G-6, 1 G-5		2	7	
UNDP GVA	1 D-2, 1 D-1	5 P-5, 2 P-4, 5 P-3, 1 P-2	4 G-7, 3 G-6, 1 G-5	3		26	
UNEP NY		1 P-5, 1 P-4, 2 P-3	1G-6, 1G-5, 2 G-4			8	1 D-1, 1G-6/7, 1G-3
UNESCO GVA	1 D-1	1 P-3	1 G-5			3	
UNESCO NY	1 D-2	2 P-5, 2 P-4, 1 P-3, 1 P-2	1 G-5, 2 G-4	2	2	14	
UNFPA GVA	1 D-1	2 P-5, 1 P-4	1 G-6, 1 G-4	2	3	11	
UNHCR NY	2 D-1*	3 P-5, 2 P-4, 1 P-3, 1 P-2	2 G-7, 1 G-6, 2 G-5			14	1 D-2
UNIDO GVA	1 D-1		2 G-3			3	1 P-5
UNIDO NY		2 P-5	1G-5	1		4	1D-1
UNRWA GVA		1P-5	1G-6		1	3	
WFP GVA	1D-2	2 P-5, 1 P-4, 1 P-2	1 G-6, 1 G-4	1	1	9	
WFP NY	2 D-1	1 P-5, 3 P-4	1 G-6, 1 G-5, 1 G-4	2	1	13	
WHO NY	1 AD-G	2 P-3, 1 P-2	1 G-7, 2 G-5, 1 G-4,		4	12	1D-1, 2 P-5, 1 G-5
TOTAL	**1 AD-G**	**24 P-5**	**10 G-7**	**12**	**18**	**175**	**2 D-2**
	5 D-2	**20 P-4**	**16 G-6**				**3 D-1**
	10 D-1	**15 P-3**	**19 G-5**				**3 P-5**
		8 P-2	**13 G-4**				**1 P-4**
			2 G-3				**1 P-3**
			1 G-2				**1G-6-7**
							1 G-5
							1 G-3
	16	**68**	**61**				
	145			**12**	**18**	**175**	**13**

Source: Inspections.

* One of these posts is encumbered by a WFP staff member seconded to UNDG for which he works full time.

C. Lack of leadership

66. As of October 2006, the position of head of office was vacant in four of the eleven offices inspected in New York and a fifth position had just been filled after 10 months. If not purely coincidental, this situation reveals an apparent absence of proper succession planning for a crucial level in the five organizations concerned (OHCHR, UNEP, UNHCR, UNIDO and WHO). The

Inspector witnessed overburdened officers-in-charge, staff frustration and lack of motivation due to uncertainties.

67. Traditionally, the selection process to fill the position of head of office suffered from being highly discretionary, not to say sometimes politicized, rather than openly competitive, with a number of losses and missed opportunities reported to the Inspector.

68. As a result, some heads of office lacked the required managerial experience and leadership competencies to efficiently use the skills of their staff, allocate tasks and build cohesive teams. The Inspector received spontaneous complaints of harassment in the workplace and lack of recognition for work performed and competencies.

Recommendation 5

The executive heads of the United Nations system organizations concerned should ensure timely and proper succession planning for the heads of their liaison offices. Heads of offices should be selected through a competitive and fully transparent process, focusing on managerial competencies.

D. Other symptoms of weaknesses

69. Other symptoms of poor human resources management at the organizational level are:

- Posts funded from different budget sections of the same headquarters budget (UNESCO New York), in addition to voluntary funding sources, thus enforcing separate biennial negotiations by the head of office with various directors and making an overall assessment more difficult;

- Project posts (L) in a headquarters location, without any link to projects;

- A majority of posts funded from extra-budgetary resources (UNDP Geneva);

- A succession of short-term contracts (ILO New York, WHO) including for higher level posts, partly wasting their potential;

- Very long periods of posts vacancies (ILO, OHCHR, UNEP New York, WHO);

- Consultants used on a regular basis to perform tasks normally carried out by regular staff. At the time of the inspection, ten consultants were employed in seven offices (FAO Geneva, WFP New York and Geneva, UNEP, ILO, UNESCO New York, and UNDP Geneva), two had been previously working as interns performing similar tasks (WFP New York);

- Interns have become indispensable to ensuring a permanent presence in the numerous intergovernmental meetings. At the time of the inspection, 18 interns were employed at half of the LOs inspected (ILO, OHCHR, UNCTAD, UNESCO, WFP and WHO New York and UNFPA, UNRWA and WFP Geneva). However, their status does not allow them to make speeches nor to publicly respond to any query addressed to their related organization. In general, conditions ruling their employment are quite restrictive to avoid backdoor recruitment. Two regimes of compensation for their services coexist, according to the organizations concerned: namely none and 10 per cent of the local daily subsistence allowance (DSA). Consequently, the benefit of an internship with the United Nations is restricted to those who can afford it.

- Staff imposed by the United Nations Office of Human Resources Management (OHRM), without request (UNCTAD);

- Staff on the staffing table but having always worked elsewhere on secondment or even (past case) forbidden to appear in the office;

- Staff housed by a LO without being an integral part of its activities (UNEP) or appearing on the staffing table though assigned elsewhere; this is raising in particular the issue of staffing the secretariat of some interagency coordination mechanisms, as UNDG;

- No rotation of staff; some remained in the same office for more than twenty years (FAO New York);

- Limited learning opportunities. Managers did not encourage nor actively seek them, with some exceptions (FAO New York, WHO, WFP). In New York, no access is granted to the United Nations training courses to staff from specialized agencies, except for language courses;

- No career opportunities for support staff that have themselves acquired advanced education and qualifications. Many General Service staff members were overqualified for the work performed;

- No regular evaluation of individual performance.

70. The Inspector acknowledges that many of these issues could be resolved only at the organizational level through the reform of human resources management ongoing at most organizations. He would therefore refrain from making any specific recommendation at this point in time, except for the issue of training, which can be immediately addressed.

Recommendation 6

The executive heads of the United Nations system organizations should, in a spirit of collaboration and reciprocity, ensure that in New York and Geneva, the learning opportunities offered to their own staff be extended to the personnel of LOs in these locations, and encourage the staff of their own LOs to make full use of available learning opportunities offered at their location by the training sections of United Nations and other agencies.

71. Traditionally, a LO was part of the department for external relations, which monitored its work, shared its provisional calendar of meetings and events and, in an ideal world, would read and judiciously disseminate its reports, and send timely briefs taken from the specialists of the issues discussed. Implicitly, a classic liaison officer would be an open-minded generalist at the professional level, with a very good knowledge of his or her organization, including field experience and good relational skills. Feedback from headquarters was crucial to obtaining the necessary inputs on time. Since this feedback was irregular, and depending on the importance or urgency of an issue, LO managers and officers could be considered sufficiently qualified technically and therefore empowered to influence the process and ultimately make a pronouncement without receiving any guidance. This was possible when the focus of discussions was basically political, allowing common sense to prevail.

72. This situation has changed drastically during the last decade towards more out-posted specialists as a result of:

- More sophisticated content in the substantive thinking in working groups and subsidiary organs of all kinds, where the topics discussed now require the regular (or even permanent) presence of real experts, often out-posted specialists[9];

[9] The UNFPA office in Geneva is a typical example of such a move. The UNFPA staff includes diplomatic and medical profiles, with a dual reporting line, the Director of the office reporting to the Information, External Relations and Resource Mobilization Division (IERD) and the specialists to their respective technical units, to which they continue to belong as out-posted staff, with a daily collaborative relationship.

- The impact on LO staff of the daily realities from the field, through new communications technologies;

- New responsibilities brought to the LOs by increased inter-agency work.

73. Reporting lines are diverse among different organizations and even sometimes among members of the same LO. For instance, at the time of the inspection, UNDP LOs belonged to the Bureau for Resources and Strategic Partnerships (BRSP), WFP LOs to a Policy and External Affairs Department, FAO LOs to the Office of the Special Adviser to the Director General, UNHCR to the Executive Office of the High Commissioner, UNFPA LO to the Information, External Relations and Resource Mobilization Division, the Head of RCNYO simultaneously to the five Executive Secretaries of the regional commissions, etc. The type of organizational structure to be avoided is one whereby LOs become lost among numerous field or country offices.

74. Within one office, different reporting lines to Headquarters may coexist for out-posted staff.[10] The existence of these complementary lines does not raise any problem, as long as the head of the office is kept well informed of the main ongoing works and there is a regular meeting of all staff members where everyone learns what has been done and is to be done by everyone else. On one occasion, the Inspector revealed, inadvertently, to a Director that a job description had been issued for recruitment as an out-posted position in her own office. At the other end of the scale, Directors should not put up obstacles to direct reporting by LO staff members to concerned substantive headquarters or field units, nor try to monopolize this function through any bureaucratic means.

E. Financial management

75. The 2004-2005 biennial budgets of individual LOs ranged between US$ 0.3 (WMO New York) to US$ 4.7 million per biennium (UNHCR New York, followed by UNDP Geneva, US$ 4.4 million). The majority of the inspected offices were financed exclusively from regular funds; only four were financed through a combination of regular and extrabudgetary resources (UNDP, UNEP, UNFPA and WHO) and one was fully funded from extrabudgetary resources (UNHCR) (table 3, below).

76. Not surprisingly, staff costs account for more than three-quarters of the budget of the inspected offices. Generally, non-staff resources locally administered do not exceed US$ 0.5 million (the operational budgets of FAO, ILO, UNEP, WFP and WHO New York are higher). Only exceptionally do non-staff costs exceed US$ 1 million (UNHCR New York and UNDP Geneva). The bulk of these resources were allocated to rental of space and information technology and communications, often as reimbursement of services provided by the United Nations at an agreed upon tariff, which, some years ago, had been the subject of protracted negotiations between the United Nations and the various funds and programmes.

[10] As an example, while the Head of UNDP Office in Geneva reports to the BRSP, as a result of out-posting, some elements of the LO were directly reporting to the Bureau for Development Policies "BDP" UNDP – GEF at Headquarters.

Table 3. Budget of liaison offices (2004-2005 in US$)

ORGANIZATIONS	Staff costs			Non Staff costs			GRAND TOTAL
	RB	XB	Total	RB	XB	Total	
INSPECTED LOs							
RCNYO	1,481,800	0	1,481,800	103,800	0	103,800	**1,585,600**
FAO GVA	1,982,000	0	1,982,000	403,000	0	403,000	**2,385,000**
FAO NY	2,021,000	0	2,021,000	815,000	0	815,000	**2,836,000**
ILO NY	1,578,528	0	1,578,528	707,222	0	707,222	**2,285,750**
OHCHR NY	2,100,000	0	2,100,000	100,000	0	100,000	**2,200,000**
UNCTAD NY*	779,000	0	779,000	8,300	0	8,300	**787,300**
UNDP GVA	2,657,908	432,872	3,090,780	1,302,000	44,000	1,346,000	**4,436,780**
UNEP NY	280,600	1,862,000	2,142,600	27,400	786,000	813,400	**2,956,000**
UNESCO GVA	889,000	0	889,000	0	0	0	**889,000**
UNESCO NY	2,687,209	0	2,687,209	0	0	0	**2,687,209**
UNFPA GVA	842,600	219,200	1,061,800	180,200	200,000	380,200	**1,442,000**
UNHCR NY	0	3,594,795	3,594,795	0	1,139,260	1,139,260	**4,734,055**
UNIDO GVA**	1,340,936	0	1,340,936	216,839	0	216,839	**1,557,775**
UNIDO NY**	1,083,636	0	1,083,636	422,518	0	422,518	**1,506,154**
UNRWA GVA	596,456	0	596,456	83,683	0	83,683	**680,139**
WFP GVA	867,800	441,800	1,309,660	382,034	0	382,034	**1,691,634**
WFP NY	1,166,400	0	1,166,400	598,332	0	598,332	**1,764,732**
WHO NY	2,194,000	0	2,194,000	0	697,000	697,000	**2,891,000**
SUB TOTAL	**24,548,873**	**6,550,667**	**31,099,540**	**5,350,328**	**2,866,260**	**8,216,588**	**39,316,128**
NON INSPECTED LOs							
IAEA GVA	506,200	0	506,200	37,500	0	37,500	**543,700**
IAEA NY	929,800	0	929,800	57,300	0	57,300	**987,100**
UN-HABITAT GVA	0	693,200	693,200	0	247,874	247,874	**941,074**
UN-HABITAT NY	874,500	303,700	1,178,200	109,500	131,902	241,402	**1,419,602**
UNODC/UNOV NY	481,400	359,412	840,812	0	217,100	217,100	**1,057,912**
UNRWA NY	821,675	0	821,675	52,930	0	52,930	**874,605**
UNWTO NY***	0	0	0	22,639	0	22,639	**22,639**
WIPO NY	215,300	0	215,300	745,000	0	745,000	**960,300**
WMO NY****	309,350	0	309,350	0	0	0	**309,350**
SUB TOTAL	**4,138,225**	**1,356,312**	**5,494,537**	**1,024,869**	**596,876**	**1,621,745**	**7,116,282**
GRAND TOTAL	**28,687,098**	**7,906,979**	**36,594,077**	**6,375,197**	**3,463,136**	**9,838,333**	**46,432,410**
Grand SUB TOTAL NY	**19,004,198**	**6,119,907**	**25,124,105**	**3,769,941**	**2,971,262**	**6,741,203**	**31,865,308**
Grand SUB TOTAL GVA	**9,682,900**	**1,787,072**	**11,469,972**	**2,605,256**	**491,874**	**3,097,130**	**14,567,102**

*UNCTAD: Some additional non-staff costs are covered by the central budget, beyond the indicated figures.

**UNIDO - Euros converted to US$ at 1.24 (average 2004 - 2005 value).

***UNWTO LO was in the creation phase, with a part time GS staff member.

**** WMO: Swiss francs converted to US$ at 0.80 (average 2004-05 value).

Sources: Responses to JIU questionnaire as completed.

F. Information management

77. As already mentioned, information gathering and sharing is at the very heart of the representation and advocacy functions of LOs. Managing information effectively both externally and within every office is therefore key to their success.

78. Contrary to some expectations, new technological advances have not lessened the importance of the representation function, but rather changed the way in which LOs operate and expanded their impact.

79. New technologies have not rendered the work of LOs superfluous. Only a permanent presence and structure can build up the intimate knowledge, the "intelligence work" necessary to obtain the accurate and timely information to influence decisions which, more and more frequently, are pre-negotiated at informal meetings. Further, regardless of the participation of headquarters officials in decision taking, through videoconferences, teleconferences or mission travel, the groundwork that paves the way for such decisions, their implementation and follow-up can only be assured through the permanent presence of qualified staff in situ. A fruitful and sustainable relationship of trust can only emerge from an initial eye-to-eye contact (possibly regularly renewed), which is the ultimate raison d'être of any diplomatic mission or LO.

80. The use of electronic mail, teleconferences and videoconferences has dramatically increased the flow of information and communications exchanged with LOs, added to the complexity of and accelerated the decision-making process. Decisions are taken and relevant information disseminated within a shorter period of time, sometimes even in real time to multidimensional networks of headquarters units, field offices, diplomatic missions, NGOs and other partners.

81. The Inspector noted, however, that despite the fact that more and more discussions are country-focused at New York and Geneva, few LOs regularly exchanged information through e-mail with field offices and vice versa. An even lesser number (WFP New York, UNDP and UNFPA Geneva, the regional commissions and the WHO New York office) used teleconferences or videoconferences as a regular means of communication and decision-making. WFP New York reported that tele- and videoconferences had proven to be extremely useful during humanitarian crises in keeping key players up to date, bringing the field perspective to ongoing negotiations, conveying the positions of the respective organizations and improving inter-agency coordination. WFP also uses regular teleconferences to share updates and topics of common interest among its external relations offices in Rome, Geneva and New York. Similarly, UNDP organizes weekly teleconferences with its LO communications officers. Prior to these meetings, e-mails are exchanged on major events to facilitate discussion and decision taking.

82. The Inspector encourages all managers to overcome the financial and technical obstacles to the day-to-day use of new communications technologies and to simplify the relevant administrative arrangements. The benefits largely exceed any reasonable investment, particularly as a substitute for travel to interviews.

83. At another level, information should flow effectively within the office. Being easy and natural to share within small teams, information should be carefully managed within larger offices, particularly those composed of several units, through tools and behaviour conducive to transparency and trust, such as online calendars of individual activities, regular meetings with all staff members to freely exchange views on substantive and administrative issues, briefings and debriefings by staff on mission, etc. WFP Geneva and OHCHR New York are among the good examples in this regard. The Inspector regrets however that these conditions are not met at all the offices inspected.

Recommendation 7

The executive heads of the United Nations system organizations concerned should ensure that relevant information is judiciously and broadly disseminated between liaison offices and their respective organizations as well as internally within liaison offices, using all means of communication to maximize their outreach, such as teleconferencing, videoconferencing, staff meetings and (de)briefings of staff on mission.

G. Common premises and services

84. In New York, only OHCHR is housed within the United Nations Secretariat building. Most LOs rent office space (DC-I and DC-II buildings) from the United Nations Development Corporation[11] at US$ 59 per square foot, per year. ILO New York is the only LO located in a commercial building at US$ 51.64 per square foot per year. In Geneva, rent is paid at the *Maison internationale de l'Environnement* and at the Palais des Nations, at the equivalent of US$ 50.86 per square foot, per year.

85. Information technology (IT) services are provided on the basis of service level agreements by the United Nations at a rate of US$ 2,000 per workstation in New York for a full package and US$ 1,200 in Geneva, a noticeable difference. In each hub, prices and conditions vary according to the sharing of responsibilities between the Untied Nations and the other organizations.

86. At the time of the inspection, UNDP Geneva was providing IT, financial and personnel services to the UNDP Bureau for Crisis Prevention and Recovery (BCPR), UNOPS, UNFPA and the United Nations Volunteers (UNV) on a cost-sharing basis.

87. Procurement of office supplies and equipment or travel services are not always channelled through the United Nations. Some offices do not see any added value in it, in view of the small volume of transactions and potential for delays. The United Nations travel agency in New York apparently accepts only clients from the United Nations Secretariat and funds and programmes which are part of their corporate agreement; the liaison offices of specialized agencies are therefore excluded from these services.

88. ACABQ proposed in paragraph 106 of its report (A/58/7) to create "a consolidated common liaison service for all United Nations funds and programmes now represented at United Nations Headquarters". The Inspector is of the opinion that for the United Nations system LOs, and even for the United Nations itself, given the diversity of mandates, required qualifications, rules, procedures and work processes, it is impossible at this juncture to integrate other liaison offices services.

H. Oversight

89. The Inspector checked that a majority of offices had been audited in the recent years either by their internal oversight services (FAO in New York and Geneva, ILO, RCNYO, UNESCO New York, UNIDO and UNRWA Geneva) or by external auditors (UNCTAD, UNEP, UNFPA, UNHCR, OHCHR). In some cases (UNESCO NY, UNFPA Geneva) this had permitted a needed overhaul of management practices. The Inspector noted that the most important LO in terms of funding (UNDP Geneva) had not been audited for many years.

90. The WFP office in New York was evaluated by a consultant in 2004 but without any follow-up on the recommendations. An internal evaluation was in progress at the request of the office management at the time of the JIU inspection. The Inspector did not record any other evaluation of the liaison offices inspected.

91. The Inspector acknowledges that in strict financial terms, the level of resources managed by each office may not justify frequent financial audits. On the other hand, the strategic importance of the LOs and their relative isolation involve certain risks, which go far beyond the financial resources at stake. It is therefore crucial that these offices receive adequate oversight coverage, through either management audits and/or periodic evaluations, based on a proper risk assessment.

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[11] The United Nation Development Corporation is a New York State public benefit corporation, created in 1968 to assist the United Nations community with its office space and other real estate needs.

Recommendation 8

The executive heads of the United Nations system organizations concerned should request the heads of oversight services to ensure adequate audit and evaluation coverage of liaison offices.

VI. CONCLUSIONS

92. These are the tasks, strengths and weaknesses of LOs in the complexity of their representation function. The inspection revealed that most LOs are doing a significant job, which goes far beyond the traditional liaison function. In this respect, the Inspector fully subscribes to the statement of the Secretary-General in his report (A/59/395) on LOs funded by the United Nations programme budget in New York and extends it to most of the LOs of the United Nations system: "These representative offices (...) provide substantive contributions to the work programme of their parent offices, while maintaining a much smaller portion of traditional liaison functions. Activities focus on matters requiring representatives' participation in meetings both at the intergovernmental level and within the Secretariat. These offices are operating with the benefit of current technology and are striving to be as effective as possible within the limited budgetary resources available to them." The recommendations addressed to their authorities, as contained in this report, are aimed precisely at helping them to do so.

93. In terms of value for money, the Inspector found that:

- At the time of the inspection (June to October 2006), the cost-effectiveness of several offices was reduced by an insufficient number of (filled) posts or by the fact of being insufficiently distant from their headquarters;

- Some long-established offices (in particular of specialized agencies), with a traditional liaison function, had a potential for more efficient and innovative management;

- Others, more creatively, brought professionals on board through all types of arrangements and funding sources. FAO, UNFPA, and UNDP in Geneva belong to this group; the Inspector observes that while this approach has many advantages, it is not risk-free;

- A last group of offices was succeeding, through legitimate ambition and the work of overstretched but excellent staff, in making a difference for their respective organizations in terms of influence and impact. Involved in politically important discussions, they enjoyed strong delegation of authority and/or had direct (but not exclusive) reporting lines to their executive head (WFP, UNHCR, OHCHR), thus being in a better position to advise and influence ongoing negotiations.

94. In the opinion of the Inspector, the comparative advantage of the last category of LOs is the capacity and willingness of some executive heads to integrate them into their strategic vision for their organizations. Extraordinary accomplishments result additionally when the right managers are found and staff members are duly empowered to share in and achieve such a vision.

95. Altogether, LOs contribute to an articulated United Nations system in the twenty-first century. They help their partners at intergovernmental and inter-agency bodies to understand their complementarities, to "inter-think" and interact more naturally. In a largely unacknowledged way, they enable the United Nations system to deliver as "one United Nations". Within the United Nations system machinery, these offices are as discreet, as ancillary, but as indispensable, and (relatively) cheap as oilcans in some physically fragile machinery.

ANNEX I

Overview of action to be taken by participating organizations on JIU recommendations JIU/REP/2007/10

		Intended impact	United Nations, its funds and programmes											Specialized agencies and IAEA											
			United Nations*	UNCTAD	UNODC	UNEP	UN-HABITAT	UNHCR	UNRWA	UNDP	UNFPA	UNICEF	WFP	ILO	FAO	UNESCO	ICAO	WHO	UPU	ITU	WMO	IMO	WIPO	UNIDO	UNWTO	IAEA
Report	For action		☒	☒	☒	☒	☒	☒	☒	☒	☒	☐	☒	☒	☒	☒	☐	☒	☐	☐	☒	☐	☒	☒	☒	☒
	For information		☐	☐	☐	☐	☐	☐	☐	☐	☐	☒	☐	☐	☐	☐	☒	☐	☒	☒	☐	☒	☐	☐	☐	☐
Recommendation 1 (page 12)	e	E	E	E	E		E	E	E	E		E	E	E	E		E			E		E	E	E	E
Recommendation 2 (page 13)	g	L			L	L	L		L	L		L	L	L	L		L			L		L	L	L	L
Recommendation 3 (page 14)	e	E	E	E	E	E	E	E	E	E		E	E	E	E		E			E		E	E	E	E
Recommendation 4 (page 14)	e	E	E	E	E	E	E	E	E	E		E	E	E	E		E			E		E	E	E	E
Recommendation 5 (page 16)	g	E	E	E	E	E	E	E	E	E		E	E	E	E		E			E		E	E	E	E
Recommendation 6 (page 17)	c	E	E	E	E	E	E	E	E	E		E	E	E	E		E			E		E	E	E	E
Recommendation 7 (page 20)	b	E	E	E	E	E	E	E	E	E		E	E	E	E		E			E		E	E	E	E
Recommendation 8 (page 22)	d	E	E	E	E	E	E	E	E	E		E	E	E	E		E			E		E	E	E	E

Legend: **L:** Recommendation for decision by legislative organ
E: Recommendation for action by executive head
■ : Recommendation does not require action by this organization

Intended impact: **a:** enhanced accountability **b:** dissemination of best practices **c:** enhanced coordination and cooperation **d:** enhanced controls and compliance **e:** enhanced effectiveness **f:** significant financial savings **g:** enhanced efficiency **o:** other

* Covers all entities listed in ST/SGB/2002/11 other than UNCTAD, UNODC, UNEP, UN-HABITAT, UNHCR, UNRWA.

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Joint Inspection Unit

Report of the Joint Inspection Unit on liaison offices in the United Nations system

Note by the Secretary-General

Corrigendum

The agenda items for document A/63/151 should read as above

* A/63/150.

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Implementation of the Declaration of Commitment on HIV/AIDS and the Political Declaration on HIV/AIDS

Joint Inspection Unit

Report of the Joint Inspection Unit on the review of the progress made by the United Nations system organizations in achieving Millennium Development Goal 6, Target 7, to combat HIV/AIDS

Note by the Secretary-General

The Secretary-General has the honour to transmit to the members of the General Assembly the report of the Joint Inspection Unit entitled "Review of the progress made by the United Nations system organizations in achieving Millennium Development Goal 6, Target 7, to combat HIV/AIDS" (JIU/REP/2007/12).

* A/63/150.

08-43123 (E) 310708

REVIEW OF THE PROGRESS MADE BY THE UNITED NATIONS SYSTEM ORGANIZATIONS IN ACHIEVING MILLENNIUM DEVELOPMENT GOAL 6, TARGET 7, TO COMBAT HIV/AIDS

Prepared by

Muhammad Yussuf

Joint Inspection Unit

Geneva 2007

EXECUTIVE SUMMARY

Review of the progress made by the United Nations system organizations in achieving the Millennium Development Goal 6 - target 7 - to combat HIV/AIDS
JIU/REP/2007/12

Objective: To assess the progress made in the achievement of Goal 6, target 7, to have halted by 2015 and begun to reverse the spread of HIV/AIDS, and to provide Member States with an objective assessment of the efficiency and effectiveness of the policies and programmes implemented and the bottlenecks in achieving this target.

Key issues, main findings and conclusions

- By the end of 2006, more than 25 million people had lost their lives to AIDS, and an estimated 39.5 million were living with HIV/AIDS. In 2006 alone, there were 4.3 million new infections and 2.9 million deaths due to AIDS. There is an upward trend in the prevalence of HIV infections since the adoption of the target. There has been an increase of approximately 28 per cent in the number of people living with HIV in 2006 as compared to the 2000 estimates. The future course of the disease and its real magnitude remain unknown.

- The most important factor that limits the effective functioning of the joint United Nations Programme on HIV/AIDS (UNAIDS) is its weak and outdated mandate. The Economic and Social Council established the mandate in 1994 when the pandemic was viewed as a health problem with limited impact. Thirteen years later, the situation has drastically changed. UNAIDS now has a broad, dynamic and challenging responsibility with greater accountability to its stakeholders. UNAIDS progress depends on actions taken by other entities/actors, such as national Governments, international donors and civil society over whom it has no institutional authority. The mandate of UNAIDS needs to be enhanced and reinforced. The authority of the UNAIDS secretariat needs to be enhanced for effective coordination.

- The existing partnership of ten Cosponsors is too many. Neither the UNAIDS secretariat nor the Programme Coordinating Board (PCB) has any controlling organizational authority over the Cosponsors. Consequently, little can be done to exert pressure on the Cosponsors to become effective partners within UNAIDS. There is a certain degree of overlapping and duplication of activities among the Cosponsors at the country level. Prevention of mother-to-child transmission, which is a major prevention activity, is a vivid example of such a duplication of efforts.

- Since its inception in July 1995, the UNAIDS PCB has held twenty meetings and has provided meaningful guidance and direction to UNAIDS. However, the effectiveness of the PCB is limited by several factors. In the existing institutional framework, the decisions of the PCB are not automatically binding on the Cosponsors. PCB decisions need to be endorsed by the governing bodies of all the Cosponsors before they can be implemented. This is a time-consuming process, which at times has a detrimental effect on issues that need to be acted upon immediately.

- The Committee of Cosponsoring Organizations has only limited authority. It is neither an executive nor a monitoring body and only endorses the budget and the workplan of UNAIDS. Moreover, it has authority only for activities financed from the UNAIDS Unified Budget and Workplan (UBW) and has no authority over the individual Cosponsors' programmes on HIV and AIDS.

- With regard to the division of labour, there is clearly a lack of awareness and clarity among the various stakeholders at the country level, particularly among the various

government departments and civil society partners on the division of labour and its modalities. The lead agency concept among the United Nations country teams also lacks clarity due to the overlapping mandate of the Cosponsors. There are overlapping issues in the division of labour, such as the prevention of mother-to-child transmission, women and children, youth and prevention efforts that have remained unresolved among the Cosponsors.

- Only limited progress has been made with regard to the joint programming as a result of the inability of country teams to allocate adequate time for developing joint programmes due to overlapping priorities, such as the United Nations Development Assistance Framework and country planning cycles, which provide the support for the joint programmes. The main challenges facing joint programming include the continued development of joint plans based on individual United Nations agency imperatives and priorities, rather than the development of integrated joint plans that are based on national needs and priorities.

- The application of the "three ones" principles is central to the coordination efforts at the country level. A key challenge for the effective implementation of the "three ones" principles at the country level is the existence of many coordination structures with overlap in membership and focus, often without linking consultation and decision-making structures and processes. The typical example of overlap is between the National AIDS Councils (NACs) and the country coordinating mechanisms (CCMs) of the Global Fund to fight AIDS, Tuberculosis and Malaria (GFATM).

- About 85 per cent of affected countries have national AIDS action frameworks or national strategic plans (NSPs). In order to be useful, NSPs have to be fully costed, with workplans translated into practical plans suitable for regional/grass roots implementation, and budgets that specify sources and allocation of funds. Many of the frameworks are not translated into workplans and budgets; it is estimated that only 60 per cent of the frameworks are costed and budgeted. Similarly, only 52 per cent have been translated into an operational plan and/or annual priority action plan. Many Member States have difficulty in translating national plans into actionable regional/grass root-level plans.

- The establishment and maintenance of a broad-based NAC, with the involvement of diverse stakeholders, is a political as well as a technical issue with its related problems. It would be too ambitious to create a completely new multi-sectoral mechanism and give it a remit to lead and coordinate the response of a wide range of well-established and powerful stakeholders. Often, the high-profile launching of an infant mechanism into a complex and highly politicized national AIDS response has caused tensions and frustrations among the various stakeholders, and in some cases has lost their support.

- A significant number of countries still do not have a funded, functioning monitoring and evaluation (M&E) system, which has been developed through partner coordination. Shortcomings in M&E systems represent one of the most pressing challenges standing in the way of achieving the target set by this Millennium Development Goal (MDG). The challenges include weak collaboration among stakeholders, shortage of M&E skills, insufficient financial and other resources for M&E, and the absence of well-functioning systems for collecting, analysing and reporting on the data needed for M&E.

- The "3 by 5" initiative has achieved only a limited amount. It was estimated that by December 2005, only 1.3 million people were under antiretroviral therapy or antiretroviral treatment (ART) as opposed to the targeted 3 million. The major achievement of the initiative was that it showed that with significant mobilization of resources and efforts from various stakeholders, antiretroviral therapy could be provided in even the most resource-constrained settings like, for example, in sub-Saharan Africa. However, the striking differences between regions in the percentage of ART coverage of the needy population

underscore the fact that many countries are far from containing their growing AIDS pandemic.

- Universal access to care and treatment for all those who are in need by 2010 is an ambitious goal that provides lifelong support. The scaling-up towards universal access should be equitable, accessible, affordable, comprehensive and sustainable. In other words, it faces many challenges. The national health systems in most of the affected Member States are increasingly facing an unprecedented challenge due to a lack of investment in health services and the rapid scale-up of ART. The national health systems that are delivering maternal and child health services are under enormous strain, catering for large numbers of people living with HIV in need of lifelong care for chronic disease.

- Inadequate numbers of health workers are a major constraint to the rapid scaling-up of ART programmes. The expansion in labour markets has intensified professional concentration in urban areas and migration within regions and from developing to developed countries. There is an exodus of skilled health workers from the public to the private sector due to attractive pay and working conditions. Most of the public health services suffer from low pay, poor occupational health and safety conditions, lack of training and prospects for career advancement, poorly supplied medical facilities, an acute shortage of staff, and poor management and overall health system governance.

- The scaling-up of ART has shifted the focus onto treatment and considerably weakened prevention efforts. The challenges posed by universal access to treatment are formidable and need resources. As a result, many of the civil society partners that were traditionally involved in community mobilization and prevention have shifted their focus to treatment support activities, resulting in greater reduction in the scaling-up of prevention activities. Furthermore, a major part of donor funding is earmarked for treatment and the affected Member States are not able to allocate a matching share of domestic funding to prevention efforts.

- The financial resources needed for HIV/AIDS show an increasing trend due to the increase in the numbers of people living with HIV and the expansion in HIV/AIDS programmes to serve more of those in need. The financial resources available for HIV/AIDS fall far short of what is needed to scale up towards universal access. UNAIDS estimates that the amount needed for an expanded response in low and middle income countries will be US$ 18.1 billion in 2007, US$ 22.1 billion in 2008 and US$ 30.2 billion in 2009. Against this, the money received, the existing pledges, commitments and trends indicate that the available funds are US$ 10 billion for 2007, i.e. a resource gap of US$ 8 billion in 2007. To meet the goal of universal access by 2010, available financial resources for HIV must quadruple by 2010 compared to 2007 – up to US$ 42.2 billion and continue to rise to US$ 54.0 billion by 2015.

- The World Health Organization (WHO) Commission on Macroeconomics and Health estimate that an additional US$ 27 billion per annum in aid is needed to strengthen the capacity of health systems so that they can deliver basic health-care packages effectively. Meeting this target would require a five-fold increase in donor spending on health that does not include free access to ART for everyone in clinical need.

- The role of civil society is pivotal in the implementation of this target. The proliferation in the number of civil society partners, particularly the non-governmental organizations (NGOs) dealing with HIV/AIDS both at national and international level is a major concern. In the last ten years there has been a considerable increase in the number and range of NGOs specialising in HIV/AIDS work. By one reliable estimate, there are now more than 60,000 AIDS-related NGOs globally. The proliferation of AIDS-related NGOs has, at times, occurred at the expense of accountability and credibility. The existence of the

so-called "briefcase NGOs" in many countries undermines the credibility of the genuine NGOs.

- The role of the Department of Public Information (DPI) in creating public awareness on the issue of HIV/AIDS is pivotal in the fight against the HIV/AIDS pandemic worldwide. DPI has been involved in high-profile events aimed at mobilizing the media industry globally in the fight against HIV/AIDS. It is estimated that 5 to 10 per cent of the total coverage of DPI is devoted to HIV/AIDS-related activities. However, DPI does not have a clear-cut strategic framework and/or guidelines related to the dissemination of information on HIV/AIDS, despite the fact that formal meetings between the former Head of DPI and the Executive Director of UNAIDS have been conducted in the past with a view to reaching some kind of understanding on the modalities for cooperation between the two entities in the area of HIV/AIDS-related information coverage.

- In countries like Brazil, India, South Africa, Russia, Poland and Botswana that have plenty of financial resources of their own devoted to the fight against the HIV/AIDS pandemic, the only thing that the authorities in such countries would want to hear are excellent innovative ideas from the United Nations family that could assist them in making the fight against HIV/AIDS much more effective, efficient and sustainable in the long run. On the other hand, unfortunately, a good number of poorer developing countries continue to depend heavily on foreign bilateral donors as a reliable means of funding in support of the national response to HIV/AIDS. If unchecked, this will be an extremely dangerous trend in the long-term sustainability of the implementation of HIV/AIDS mandated programmes and activities.

- The international community and more particularly the United Nations system organizations seem to be increasingly optimistic about the future prospects for the fight against HIV/AIDS. However, after more than 100 meetings with representatives of Governments, NGOs, civil society, and with various officials from the United Nations system organizations in the countries visited, there is every reason to believe that the world is currently losing the battle against the HIV/AIDS pandemic. In other words, as new infections continue to outpace the global effort to prevent and treat patients, the need for an AIDS vaccine is more compelling today than at any time in the history of the pandemic.

Listed below are the recommendations for consideration by the legislative bodies of the relevant United Nations system organizations. Other recommendations (recommendations 3, 4, 5, 6, 7, 8, 9, 10 and 11), proposed for the consideration of the executive heads, can be found in the main text of the report.

Recommendations for consideration by legislative organs

➢ **The Economic and Social Council should review and strengthen the mandate of UNAIDS, including enhancing the authority of the secretariat, in order to effectively lead, coordinate and monitor the fight against HIV/AIDS and to ensure proper accountability of the Cosponsors to the joint programme. As part of the review, the number of Cosponsors should be restricted to the six original organizations/Cosponsors, namely, the United Nations Development Programme, WHO, the United Nations Population Fund, the United Nations Children's Fund, the United Nations Educational, Scientific and Cultural Organization and the World Bank. Other organizations could participate through the Cosponsors on the basis of a memorandum of understanding.**

➢ **The Economic and Social Council should review and revise the authority, role and responsibility of the UNAIDS Programme Coordinating Board, to enable it to have supervisory responsibility over the UNAIDS secretariat and the Cosponsors in relation to the joint programme on HIV/AIDS.**

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ABBREVIATIONS

AIDS	Acquired immune deficiency syndrome
ANRS	National Agency for HIV/AIDS Research
ART	Antiretroviral therapy or antiretroviral treatment
ARV	Antiretroviral drug
CCM	Country coordinating mechanism
CCO	Committee of Cosponsoring Organizations
CO	Country office
CSWs	Commercial sex workers
EU	European Union
GFATM	The Global Fund to fight AIDS, Tuberculosis and Malaria
GTT	Global Task Team
HIV	Human immunodeficiency virus
HVTN	The HIV vaccine trial network
IAVI	International AIDS Vaccine Initiative
IDUs	Injecting drug users
ILO	International Labour Organization
JIU	Joint Inspection Unit
M&E	Monitoring and evaluation
MDGs	Millennium Development Goals
MSMs	Men who have sex with men
NACA	National AIDS Coordinating Authority
NAC	National AIDS Council
NGO	Non-governmental organization
NIAID	National Institute of Allergy and Infectious Diseases
NSP	National Strategic Plan
PCB	Programme Coordinating Board of UNAIDS
PEPFAR	United States President's Emergency Plan for AIDS Relief
PLHIV	People living with HIV
PRSPs	Poverty Reduction Strategy Papers
UBW	UNAIDS Unified Budget and Workplan
UCC	UNAIDS Country Coordinator
UCCs	UNAIDS Country Coordinators
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFPA	United Nations Population Fund
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
UNODC	United Nations Office on Drugs and Crime
UNTGs	United Nations Theme Groups
WFP	World Food Programme
WHO	World Health Organization
WRAIR	Walter Reed Army Institute of Research

I. INTRODUCTION

1. As part of its programme of work for 2006, the Joint Inspection Unit (JIU) conducted a review of the progress made by the United Nations organizations in achieving Millennium Development Goal (MDG) 6, target 7, to combat HIV/AIDS.

2. The objective of the review was to assess the progress made since the adoption of the United Nations Millennium Declaration in 2000. The review focused on the role and involvement of the UNAIDS secretariat and the Cosponsors and other stakeholders in the achievement of Goal 6, target 7, to have halted by 2015 and begun to reverse the spread of HIV/AIDS and to provide Member States with an objective assessment of the efficiency and effectiveness of the policies and programmes implemented and the bottlenecks in achieving this target. The review also assessed the effectiveness of coordination and cooperation among the various United Nations entities and other stakeholders involved in combating HIV/AIDS.

3. Epidemic diseases are not new; but what sets HIV/AIDS apart is its unprecedented negative impact on the social and economic development of nations. Everyone, rich or poor, young or old, could be affected. The majority infected are adults in the prime of their working and parenting lives. Their legacy is a decimated workforce, fractured and impoverished communities and millions of orphans.

4. In many developing countries, the effects of the HIV/AIDS pandemic, combined with the economic recessions of the 1970s and 1980s, have erased decades of demographic and economic progress and have seriously compromised the living conditions of future generations. HIV/AIDS has such a staggering impact because it weakens and kills many people in their young adulthood, the most productive years for income-generation and family caregiving. It collapses and breaks up families by eliminating the generation that is most important to the survival of society's youngest and oldest members. The pandemic affects every aspect of human life. It has imposed heavy burdens on individuals, families, communities and nations. The disease has wide-ranging impacts on families and households; agricultural sustainability; business; the health sector; education; and economic growth.[1] The pandemic will continue to have devastating consequences for decades to come for virtually every sector of society.

5. HIV/AIDS has a pervasive effect on the affected populations and the failure to hit the target on HIV/AIDS would negatively impact the achievement of other goals, especially those related to reducing child mortality, improving maternal health and eradicating extreme poverty and hunger. Only a large-scale and concerted effort and response by the countries affected, international organizations, donors, civil society and the private sector could counter a crisis of such scope and magnitude.

6. In accordance with the internal standards and guidelines of JIU and its internal working procedures, the methodology followed in preparing this report included a preliminary review, interviews and in-depth analysis. The Inspector conducted interviews with officials of the UNAIDS secretariat and the Cosponsors and also sought the views of a number of other stakeholders from other international organizations, non-governmental organizations (NGOs) and of representatives of Member States. Comments from participating organizations on the draft report have been sought and taken into account in finalizing the report.

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[1] The Impact of AIDS, Department of Economic and Social Affairs (ST/ESA/SER.A/229).

7. In accordance with article 11.2 of the JIU statute, this report has been finalized after consultation among the Inspectors so as to test its conclusions and recommendations against the collective wisdom of the Unit.

8. To facilitate the handling of the report and the implementation of its recommendations and the monitoring thereof, the annex contains a table indicating whether the report is submitted to the organizations concerned for action or for information. The table identifies those recommendations relevant for each organization, specifying whether they require a decision by the organization's legislative or governing body or can be acted upon by the organization's executive head.

9. The Inspector wishes to express his appreciation to all those who assisted him in the preparation of this report, and particularly to those who participated in the interviews and so willingly shared their knowledge and expertise.

II. IMPLEMENTATION OF THE MILLENNIUM DEVELOPMENT GOALS TARGET TO COMBAT HIV/AIDS

A. Declaration of political commitment

10. The United Nations system's concerted fight against HIV/AIDS started in 1986 when the World Health Organization (WHO) established the Global Programme on AIDS. The baton was passed on to the Joint United Nations Programme on HIV/AIDS (UNAIDS) in 1996. The momentum in the fight gained support in September 2000, when the Member States resolved, among other Millennium Development Goals (Goal 6, Target 7) to have, by 2015, halted and begun to reverse the spread of HIV/AIDS (General Assembly resolution 55/2). The General Assembly in its resolution S-26/2 adopted the Declaration of Commitment on HIV/AIDS "Global Crisis – Global Action" the first global "battle plan" with key goals and targets for the international community in the fight against HIV/AIDS. The Declaration of Commitment is the foundation for concerted action in the following areas: strengthening leadership in combating HIV/AIDS; prevention of disease; provision of care, support and treatment; respect for the rights of people living with HIV (PLHIV); reducing vulnerability (especially of women and children); alleviating social and economic impact; investing in research (and development of treatment; addressing HIV/AIDS in conflict and disaster-affected regions; securing adequate resources; and establishing systems for monitoring and evaluation of progress achieved.

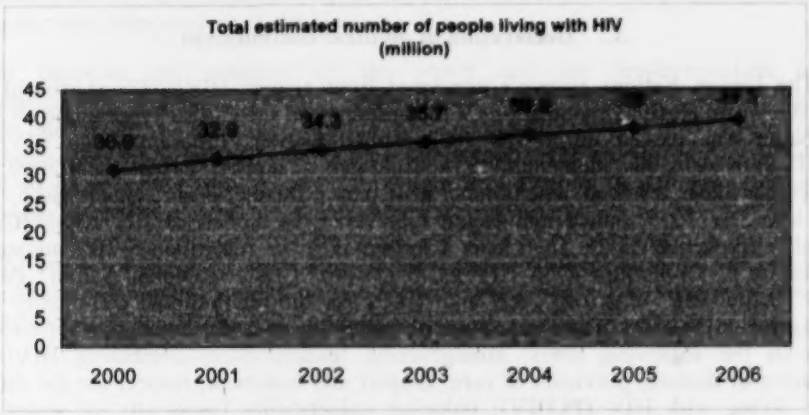
11. In 2005, through the adoption of the World Summit Outcome (General Assembly resolution 60/1), the Member States committed themselves inter alia to: (a) increase investment to improve health systems in developing countries and those with economies in transition to achieve the health related Millennium Development Goals by 2015; (b) fully implement all commitments established by the Declaration of Commitment on HIV/AIDS; and (c) promote long-term funding, including public-private partnerships, for academic and industrial research for the development of new vaccines. In June 2006 after the High-Level Meeting on AIDS, the Member States committed themselves, inter alia, to overcoming legal, regulatory or other barriers that block access to effective HIV prevention, treatment, care and support, medicines, commodities and services (Political Declaration on HIV/AIDS annexed to General Assembly resolution 60/262).

B. AIDS epidemic trend analysis[2]

12. HIV/AIDS knows no national or geographical boundaries. It kills globally. Since 1981, when the first cases of AIDS were diagnosed, AIDS-related mortality has reached orders of magnitude comparable to those associated with visitations of pestilence in earlier centuries. By the end of 2006, more than 25 million people had lost their lives to AIDS, and an estimated 39.5 million were living with HIV. In 2006 alone, there were 4.3 million new infections and 2.9 million deaths due to AIDS. The future course of the disease and its real magnitude remain unknown. The graph below indicates the global trend in the prevalence rate of the epidemic since adoption of the target in 2000.

[2] UNAIDS issued the 2007 AIDS epidemic update in November 2007. The prevalence rate has been significantly revised downwards for the year 2007 using an advanced methodology. Similar revisions have been done for the previous years. However for various purposes, the present report retains the data provided by UNAIDS in June 2007.

Table 1. Estimated number of people living with HIV 2000 - 2006



13. The increase in the number of people living with HIV in 2006 is approximately 28 per cent compared to the 2000 estimates. There is an upward trend in the prevalence of HIV infections since the adoption of the target. Similarly, a comparative analysis of the available data across the various regions of the world indicated the following trend.

Table 2. Regional data on people living with HIV 2000 and 2006

People living with HIV, regional data 2000 and 2006 (in millions)

	2000	**2006**
Sub-Saharan Africa	21.1	24.7
Middle East and North Africa	0.33	0.46
South and South-East Asia	5.9	7.8
East Asia	0.37	0.75
Oceania	0.04	0.08
Latin America	1.2	1.7
Caribbean	0.23	0.25
Eastern Europe and Central Asia	0.39	1.7
North America and Western Europe	1.6	2.1
Total	**31.2**	**39.5**

Source: AIDS epidemic update data files (UNAIDS/WHO, Dec 2006).

There is a steady increase across the globe in the number of PLHIV. The percentage increase ranges from 9 per cent in the Caribbean to 336 per cent in Eastern Europe and Central Asia. The other major percentage increases (in parenthesis) were noted in Sub-Saharan Africa (17), North America and Western Europe (31), South and South-East Asia (32) and Latin America (42).

C. Need to revise the mandate of UNAIDS

14. When UNAIDS was established in 1996, it was given a mandate to lead, coordinate and expand the United Nations global efforts in the fight against HIV/AIDS. UNAIDS was mandated to fulfil a number of functions, inter alia: (a) to provide global leadership in response to the pandemic; (b) to achieve and promote global consensus on policy and programmatic approaches; and (c) to advocate greater political commitment in responding

to the epidemic at the global and country levels.[3] More importantly, UNAIDS was charged with the responsibility of providing technical support and information, including best practices, epidemiological data, and other information on the national and international response to HIV/AIDS.

15. UNAIDS is the United Nations first joint co-sponsored programme of its kind that is intended to be a model of United Nations reform. UNAIDS is currently comprised of a secretariat and ten Cosponsors that act at the global, regional, country and local levels. The UNAIDS Programme Coordinating Board (PCB) acts as the governing body responsible for all programmatic issues concerning policy, strategy, finance, and monitoring and evaluation. The Committee of Cosponsoring Organizations (CCO), comprising of the Cosponsors' executive heads or their representatives, provides input into UNAIDS policies and strategies.

16. In the 10 years of its existence, the Inspector wishes to give due credit to UNAIDS, particularly the secretariat, for its invaluable contributions to the fight against HIV/ AIDS at the global level, which among others, include (a) increasing awareness among the national and international communities to enhance the response; (b) advocating and bringing in the necessary political commitment; (c) helping to reframe AIDS as a multi-sector issue rather than a health issue; (d) providing the requisite epidemiological data and information; (e) advocating for increased international/domestic funding; and (f) improving coordination among the numerous stakeholders at the global and national levels.

17. UNAIDS has yet to make a full impact in its country level efforts. There are major difficulties in fulfilling its responsibility to strengthen the capacity of affected nations to plan, coordinate, implement, and monitor the overall response to HIV/AIDS. The most important factor that limits the effective functioning of UNAIDS is its weak and outdated mandate. The Economic and Social Council established the mandate in 1994 when the pandemic was viewed as a health problem with limited impact. Thirteen years later, the situation has drastically changed. The severity of the pandemic is felt globally and there is a collective global response to it. While UNAIDS, now has a broad, dynamic and challenging responsibility with greater accountability to its stakeholders, its mandate has not been reviewed and/or revised. UNAIDS progress depends on actions taken by other entities/actors, such as national Governments, international donors and civil society over whom it has no institutional authority. The Inspector strongly believes, therefore, that the UNAIDS mandate needs to be enhanced and reinforced in order not only to face the challenges associated with the exigencies of the new realities, but also to ensure the achievement of this target by 2015. The Inspector also believes that the authority of UNAIDS secretariat needs to be enhanced for effective coordination.

D. Too many Cosponsors

18. According to their comparative advantage and expertise, UNAIDS brings together the respective efforts and resources of the Cosponsors in their common endeavours to prevent new HIV infections, care for those already infected, and mitigate the impact of the pandemic. Currently, there are 10 Cosponsors. When UNAIDS was established in 1996, there were only six; namely, the United Nations Development Programme (UNDP), the United Nations Children's Fund (UNICEF), the United Nations Population Fund (UNFPA), WHO, the United Nations Educations, Scientific and Cultural Organization (UNESCO) and the World Bank. Subsequently, four more United Nation agencies were added to the list of Cosponsors; namely the United Nations Office on Drugs and Crime (UNODC) in 1999, the International Labour

[3] ECOSOC resolution 1994/24 of 26 July 1994.

Organization (ILO) in 2001, the World Food Programme (WFP) in 2003 and the United Nations High Commissioner for Refugees (UNHCR) in 2004.

19. In the opinion of the Inspector, the existing partnership of 10 Cosponsors is too many. As one representative of an NGO who was attending the PCB meeting noted recently: "There are too many agencies doing too many things". Importantly, as a joint and Cosponsored programme, the achievement of UNAIDS depends heavily on the understanding, cooperation, and consensus between the Cosponsors. The implications of a larger, more diverse partnership are many. Since each Cosponsor is accountable only to its own independent governing/executive board, neither the UNAIDS secretariat nor the PCB has any controlling organizational authority over the Cosponsors. Consequently, little can be done to exert pressure to bear on the Cosponsors to become effective partners within UNAIDS. In addition, there are governance implications in managing a growing CCO and participation in the PCB as it increases the consultative and collaborative initiatives, mechanisms and difficulties in consensus-building. Also, the increase in the number of Cosponsors has notable implications, not only in the allocation of the Unified Budget and Workplan (UBW) funds amongst them, but also in managerial implications for the UNAIDS secretariat in terms of its ability to successfully perform its coordination/facilitation functions at the global level. Some UNAIDS country coordinators (UCCs) continue to experience major difficulties in effectively coordinating the multitude of Cosponsors, even at the country level.

20. On the other hand, the problem is even further compounded, not only by the presence of relatively few Cosponsors in some countries, but also in terms of those agency heads whose regional responsibilities render them increasingly unable to attend theme groups as well as country team meetings on HIV/AIDS. For example, attending a United Nations country group meeting on HIV/AIDS in the capital of one of the highly affected countries in Southern Africa, the Inspector witnessed for himself the inability of UCC to continue with this particular meeting because of the lack of a quorum, due to the absence of several representatives of Cosponsors and/or United Nations agencies who were on mission outside the country.

21. More importantly, there is a certain degree of overlapping and duplication of activities among the Cosponsors at the country level. Prevention of mother-to-child transmission, which is a major prevention activity, is a vivid example of such a duplication of effort. Also, there is unhealthy competition for funding among the Cosponsors. The Inspector notes that, with the expanding global response to HIV/AIDS, there is every reason to believe that other United Nations system organizations would be interested in joining UNAIDS in the future. This should be strongly and unequivocally discouraged. Equally important is the need for the existing Cosponsors to be restricted to the six original organizations/Cosponsors, namely, UNDP, WHO, UNFPA, UNICEF, UNESCO and the World Bank. It is the Inspector's humble view that other interested United Nations system organizations could conveniently participate in any activities in support of UNAIDS through the existing Cosponsors. In other words, some kind of innovative mechanism would need putting in place to allow for such an engagement to take place in the future.

22. The implementation of the following recommendation is expected to enhance the effectiveness, coordination and accountability of UNAIDS.

Recommendation 1

The Economic and Social Council should review and strengthen the mandate of UNAIDS, including enhancing the authority of the secretariat, in order to effectively lead, coordinate and monitor the fight against HIV/AIDS and to ensure proper accountability of the Cosponsors to the joint programme. As part of the review, the number of Cosponsors should be restricted to the six original organizations/ Cosponsors, namely, UNDP, WHO, UNFPA, UNICEF, UNESCO and the World Bank. Other organizations can participate through the Cosponsors on the basis of a memorandum of understanding.

III. COORDINATION OF IMPLEMENTATION

23. The achievement of the target depends on the effectiveness and efficiency of the coordination between the various stakeholders at the global and country level. The changing pace of the international and national response, the increase in the new funding programmes and the proliferation of donors and funding mechanisms underscore the need for effective global and national coordination.

24. UNAIDS, as mandated by Economic and Social Council Resolution 1994/24, provides coordination at the global level with the primary aim of strengthening and supporting country-led response. The added value of UNAIDS, in addition to regional or country mechanisms, is in the ability to engage the broadest possible base of actors in a coherent and harmonized approach to the response to AIDS. However, UNAIDS' global coordination responsibilities face several challenges. There is a fragmented approach from the various stakeholders in terms of policies, processes and priorities. This unfortunate state of affairs has resulted in diverse opinions, independent governance structures and the subsequent funding of different activities at the country and regional levels, which have often skewed attempts at global priority setting. Indeed, this is further compounded by the lack of uniform accountability mechanisms for many stakeholders in respect of both country and global processes.

A. Global Coordination

Programme Coordination Board

25. The Programme Coordinating Board (PCB) acts as the governing body on all programmatic issues concerning policy, strategy, finance, monitoring and evaluation of UNAIDS. Currently, the PCB is composed of representatives of 22 Governments from all regions of the world, the 10 Cosponsors, and five NGOs, including associations of PLHIV. Representatives of Member States, NGOs, other United Nations bodies and intergovernmental organizations also attend PCB meetings as observers. The important functions of the PCB relating to the joint programming are (i) to establish broad policies and priorities; (ii) to decide upon their planning and execution; (iii) to approve the plan of action and budget for each financial period and arrangements for its financing; and (iv) to review longer term plans of action and their financial implications.

26. Since its constitution in July 1995, the PCB has held 20 meetings and has provided meaningful guidance and direction to UNAIDS. However, the effectiveness of the PCB is limited by several factors. In the existing institutional framework, the decisions of the PCB are not automatically binding on the Cosponsors. PCB decisions need to be endorsed by the governing bodies of all the Cosponsors before they can be implemented. This is a time-consuming process, which at times has a detrimental effect on the issues that needed to be acted upon immediately. The Inspector notes that in the existing PCB structure there are no mechanisms to ensure the accountability of members and partners with respect to the commitments made during Board sessions. On a number of occasions, this has led to slow implementation of actions that were urgently needed to further the response to AIDS.

27. In the context of the expanding global response private foundations, the research community and the corporate sector have emerged as new stakeholders and are playing a significant role, however they have no formal role in the PCB. For instance, the Global Fund to fight AIDS, Tuberculosis and Malaria (GFATM), maintains some form of relationship with the PCB. However, the existing relationships need to be institutionalized to ensure meaningful involvement. Furthermore, while the participation of civil society in the PCB is a salient

feature of the governance structure of UNAIDS, problems regarding the selection process for NGOs, accountability and representation need also to be addressed.

Committee of Cosponsoring Organizations (CCO)

28. The Committee of Cosponsoring Organizations, consisting of the 10 Cosponsors, is mandated to ensure the overall coherence of the joint and individual activities of the Cosponsors through commitment at the executive level. The CCO formally meets twice a year and its authority is limited: it is neither an executive nor a monitoring body. It only endorses the budget and the workplan of UNAIDS and has authority only for activities financed from the UBW. It has no authority over the programmes on HIV and AIDS of the individual Cosponsors, nor is it a joint decision-making body for the UNAIDS secretariat and the Cosponsors. Although it is a standing committee of the PCB, it nevertheless does not have a clear accountability framework since it is not directly accountable to the PCB.

Global Task Team

29. The Global Task Team on improving AIDS coordination among multilateral donors and international donors (GTT),[4] made a number of recommendations to strengthen coordination, to simplify and harmonize procedures and to align support more closely with countries' needs and priorities. The set of rather complex recommendations made by the GTT is focused around four areas: empowering national leadership and ownership; harmonisation and alignment; reform for a more effective multilateral response; and accountability and oversight. The majority of the recommendations are directed at multilateral agencies; however, the central role of the National AIDS Councils (NACs) at country level is important to the successful implementation of these recommendations. The Inspector notes that implementing the GTT recommendations involves: (a) improving coordination between the sources of funding; (b) agreeing on a specific programme of technical support with various Cosponsors taking the lead in different technical areas; and (c) establishing the Global Implementation Support Team (GIST).

Division of labour

30. The division of labour for technical support among the Cosponsors, as recommended by the GTT, is a major step in enhancing an effective coordination process. Prior to the adoption of this recommendation, the Cosponsors have been providing piecemeal, parallel and sometimes competitive support to the countries. The division of labour is intended to provide a unitary, unified and consolidated technical support plan. It falls under 17 technical support areas with a lead organization for each of these areas, and with the involvement of the main partners. The lead organization concept provides clarity in identifying which Cosponsor is responsible for providing technical support in a particular area. The lead organization serves as a single entry point for government and other relevant country-level stakeholders to access the required technical support with the support of other Cosponsors.

31. Despite this recent initiative for more country-specific division of labour, the extent to which it will strengthen coordination at the country level remains to be seen. During discussions on his field visits, the Inspector noted many difficulties in implementing the division of labour. There is clearly a lack of awareness and clarity among the various

[4] Established by the high-level meeting attended by leaders from Governments, civil society, United Nations agencies, and other multinational and international institutions on the theme "Making the Money Work" held in London on 9 March 2005. The GTT is composed of representatives from 24 countries and institutions, including Governments of developing and developed countries, civil society, regional bodies and multilateral institutions.

stakeholders at the country level, particularly among the various government departments and civil society partners on the division of labour and its modalities. This is further exacerbated by the lack of clarity on the lead agency concept among the United Nations country teams, due to the overlapping mandate of the Cosponsors. There are overlapping issues in the division of labour, such as the prevention of mother-to-child transmission, women and children, youth and prevention efforts that have remained unresolved among the Cosponsors. Also, the Headquarters of the various Cosponsors have issued contradictory guidelines with regard to the role of their respective representatives in their countries of accreditation, thus creating confusion at the country level.

32. The implementation of the following recommendation is expected to enhance the effectiveness, coordination and accountability of UNAIDS at global level.

Recommendation 2

The Economic and Social Council should review and revise the authority, role and responsibility of the UNAIDS Programme Coordinating Board, in order to enable it to have supervisory responsibility over the UNAIDS secretariat and its Cosponsors in relation to the joint programme on HIV/AIDS.

B. Coordination at the Country Level

33. In its resolution 1994/24 the Economic and Social Council clearly mandates that country level operations be at the forefront of the activities of UNAIDS. Coordination at country level has many actors and different dimensions. The coordinating responsibility of UNAIDS is to support specific objectives, such as a national strategic plan, political commitment and resource allocation. There is also the functioning of the United Nations Theme Groups (UNTGs), the development of integrated workplans for Cosponsors, and the link between this and other United Nations processes, such as the Common Country Assessment (CCA) and United Nations Development Assistance Framework (UNDAF). The other significant responsibilities are the promotion of country-owned coordinating processes such as NACs and other multisectoral forums and the need to ensure their effective functioning. In order to ensure effective functioning of all HIV/AIDS-related activities at the country level, the responsibilities of UNAIDS, among others, should also include resource mobilization efforts through innovative financing mechanisms and/or strategies, on behalf of the developing countries that are highly affected by the pandemic.

United Nations system coordination

34. The United Nations Theme Groups on HIV/ AIDS, anchored under the resident coordinator system, were the lead mechanism at the country level. With membership drawn from heads of agencies of both Cosponsors and non-Cosponsors, the main role of the UNTGs was to advocate and facilitate coordination among Cosponsors and to develop joint programmes. The performance of the UNTGs has varied widely across countries with variation in terms of structure, frequency of meetings and of its membership. As initially constituted, the UNTGs were not successful in undertaking the tasks that were expected of them. The composition of the UNTGs was later expanded to include government officials, donors, civil society and the private sector. However, the UNTGs were largely ineffective on account of the lack of coordination and poor results arose from the overlapping mandates of UNTG members together with inconsistent technical and policy advice on HIV-related issues.

However, one of the achievements of the UNTGs was the successful preparation and formulation of strategic plans/frameworks in many countries.

35. To support the UNTGs, the UNAIDS secretariat established country offices (COs) and appointed country coordinators (UCCs) in assisting the UNTG chairs in taking forward issues of coordination between Cosponsors, and in strengthening United Nations system relations with country counterparts and other stakeholders. Currently, there are UCCs in more than 75 countries. Their role is a complicated and challenging responsibility, but in the countries visited the Inspector noted the major and significant role played by the UCCs in effectively coordinating the activities of the national response. However, a harmonious relationship between the United Nations Resident Coordinator, the chair of the United Nations Theme Group, and the UNAIDS Country Coordinator remains a big challenge in some countries.

36. Also, it is a matter of fact that COs were not established in many countries; and a good number of UCCs and heads of agencies neither speak the local languages nor understand the cultural sensitivities of the countries concerned - an important element in efforts towards forging any closer cooperation and collaboration with the host countries in dealing with such a sensitive and increasingly volatile matter as the HIV/AIDS pandemic is believed to be. Consequently, for the purpose of ensuring effective representation and credibility in the eyes of the host countries, UNAIDS and the Cosponsors, in the selection process of UCCs and agency heads in each country of accreditation, should take due consideration of the cultural sensitivities and local languages of the host countries concerned by matching them with the political, cultural and diplomatic credentials of the selected future UCCs and the agency heads concerned.

37. The GTT noted that the coordination at the country level was uneven and the UNTGs had not succeeded in establishing a truly joint programme that included the AIDS activities of all UNAIDS Cosponsors. The GTT further noted that the national partners engaged Cosponsors separately, rather than accessing a joint programme. In December 2005, the Secretary-General instructed the Resident Coordinators to establish joint United Nations teams on AIDS as recommended by the GTT. The establishment of joint teams is expected to improve United Nations system performance in terms of effective harmonization and alignment of national responses and to delivering coordinated technical support.

38. The Inspector noted that Joint United Nations Teams on AIDS had been established in 63 countries as of February 2007. However, significant challenges still remained with regard to the efficient functioning of joint teams in the countries visited. Indeed, the joint teams placed additional workload on those agencies with a small field presence at country level. Many of the officials had regional responsibilities that made them often unable to dedicate time and resources to attend Team meetings on a regular basis. While the concept of one United Nations family working together under one roof could be very instrumental in terms of ensuring effective coordination and collaboration among the Cosponsors, the Inspector noted with great concern that in some countries visited, such a concept may be difficult to implement because the costs associated with it, such as office rent etc., are increasingly unaffordable to some agencies. This is especially so for those agencies that can conveniently find less expensive and/or rent-free office space elsewhere. In other words, the United Nations should put more emphasis on substance rather than on mere cosmetic nuances and niceties.

39. More importantly, there were differences in commitment to joint working and in skills and capacities between the Cosponsors. In some countries, there was an evident duplication of roles and representation between the United Nations Theme Group on AIDS and the Joint Team on AIDS; consequently, their respective roles were not well understood by stakeholders outside the United Nations system. The Inspector also noted that the accountability

mechanisms for the Joint Teams have not been clearly established. The coexistence of parallel accountability mechanisms is of great concern and needs to be addressed. The Inspector noted that individual staff members report directly to their respective agency heads; while the Joint Teams and UNTG reported to the Resident Coordinator, and UCCs reported to the UNAIDS secretariat.

40. Importantly, it is regrettable to note that only limited progress has been made with regard to joint programming, as a result of the inability of country teams to allocate adequate time to developing joint programmes due to overlapping priorities, like the UNDAF and country planning cycles which provide the support for the joint programmes. The main challenges facing joint programming include the continued development of joint plans based on individual United Nations agency imperatives and priorities, rather than the development of integrated joint plans that are based on national needs and priorities. There is also a lack of clear directives and support from agency headquarters and heads of agency in the countries concerned on how to establish and implement joint programmes. The Inspector noted that lack of staff and agency capacity in developing and implementing joint programmes, and the differences in Cosponsor planning cycles and financial, administrative and operational procedures, have increasingly become the major impediments to efforts to ensure the effective implementation of joint programming.

41. The implementation of the following recommendation is expected to enhance the efficiency and effectiveness of UNAIDS at country level.

Recommendation 3

In order to enhance the effectiveness of the UNAIDS at the country level, the executive heads of the UNAIDS secretariat and the Cosponsors should:

(a) Select suitable UNAIDS country coordinators and agency heads in each country of accreditation, matching their political, cultural and diplomatic credentials with due consideration to cultural sensitivities and the local languages of the host countries;

(b) Establish a harmonized and/or unified reporting mechanism for the United Nations country teams;

(c) Undertake deliberate and concerted efforts to ensure the effective implementation of joint programmes.

C. Country Level Mechanisms

Application of the "Three Ones" principles

42. The "Three ones" principles emerged during 2003-2004 and marked a significant change in the global response to HIV/AIDS. This period was characterized by a shift towards acknowledgement of the pandemic rather than denial by many Member States, and the demand for concerted action to address the pandemic. The availability of funding increased dramatically, along with an urgent desire to reduce duplication and fragmentation in order to effectively manage resources at the country level. At that time, the optimal use of resources was limited in the affected countries by a lack of coordination among government ministries, international aid agencies, community-based organizations and other players. Various stakeholders engaged in parallel financing, planning, programming and monitoring. Inevitably, this weakened the national response in the affected countries.

43. To address these problems, in September 2003, at the 13th International Conference on AIDS and STIs in Africa, a working group approved a set of guiding principles for optimizing the use of resources and improving the country-level response to AIDS. In April 2004, the Consultation on Harmonization of International AIDS Funding bringing together representatives from Governments, donors, international organizations and civil society endorsed the Three Ones principles. The Three Ones were endorsed by the UNAIDS Programme Coordinating Board (PCB) in June 2004. Since then, the Three Ones principles have gathered pace. They can be described as: (a) one agreed strategic HIV/AIDS action framework that provides the basis for coordinating the work of all partners; (b) one national AIDS coordinating authority, with a broad-based multi-sectoral mandate; and (c) one agreed country-level monitoring and evaluation system. UNAIDS acts as facilitator and mediator in the efforts towards the realization of these principles.

44. Many stakeholders at both national and global levels have accepted the Three Ones principles. They are not prescriptive, but rather they are guidelines designed to offer countries a basis for improving the roles and relationships among the various stakeholders. Indeed, they are meant to harmonize and coordinate national responses to HIV and AIDS, and in particular, to increase national ownership and accountability. More importantly, they are intended to bring about effective coordination and coherence to the response to AIDS.

45. Achieving full application of the Three Ones principles is a key priority of the United Nations system, including the World Bank. However, there are some notable challenges with regard to their full application. For instance, while at the country level, the United Nations Theme Groups have incorporated Three Ones actions into their workplans and UNAIDS has played an instrumental role in providing concrete support to the harmonization of coordinating mechanisms and to strengthening monitoring and reporting mechanisms, many bottlenecks remain to be addressed and continue to impact the full application of the Three Ones. Also, capacity constraints in many countries have continued to severely undermine their effective application.

46. One of the key challenges for the effective implementation of the Three Ones principles at the country level is the existence of many coordination structures with overlapping membership and focus, often without any link between consultation and decision-making structures and processes. A typical example of overlap is between the National AIDS Councils (NACs) and the country coordinating mechanisms (CCMs) of the Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM). Although the GFATM is attempting to harmonize its systems so that grants can fit into national AIDS structures as seen in Mozambique, the progress in aligning systems remains slow. The overlap and confusion of roles between NACs and CCMs is adversely affecting grant performance in certain countries. More importantly, the continued failure of GFATM to share the reports of its local fund agents with the representatives of Governments and United Nations system organizations concerned at the country level is another bottleneck that puts into question and/or defeats the very purpose of the transparent nature of the whole GFATM process.

One agreed AIDS action framework

47. Since their endorsement, almost all Member States most heavily affected by the pandemic have embarked on applying the Three Ones principles. It is estimated that 85 per cent of affected countries have national AIDS action frameworks or national strategic plans (NSPs). Most of the Member States that had already established some sort of national action plan have revised them into a long-term strategic framework. The Botswana National HIV/AIDS Framework (2003-2010), the Uganda National AIDS plan (2007/2008 to 2011/2012) and the Kenya National Strategic Plan (2005/2006–2009/2010) are some of the

few examples in sub-Saharan Africa. The Inspector noted that the nationally led and participatory planning and review procedures are becoming more common in establishing these strategic frameworks or NSPs. There is broad participation, bringing in key government ministries, bilateral and multilateral donors, international institutions, and civil society in finalizing the framework. This brings in the required ownership of the various stakeholders and ensures comprehensiveness and quality in the framework.

48. However, the mere establishment of NSPs is not sufficient. NSPs will be of limited use unless they are fully costed, with workplans translated into practical plans suitable for regional/grass-roots implementation, and budgets that specify sources and allocation of funds. Many of the frameworks are not translated into workplans and budgets; it is estimated that only 60 per cent of the frameworks are costed and budgeted. Similarly, only 52 per cent have been translated into an operational plan and/or annual priority action plan. Many Member States have difficulty in translating national plans into actionable regional/grass-root level plans. The absence of costing, clear priorities and operational plans undermines the value of the frameworks in providing overall strategic and programmatic guidance for the national AIDS response. Without these elements, donors may not be able to align their funding to national priorities and may continue with the project mode of aid delivery with a vague reference to the strategic frameworks or NSPs.

49. One of the major drawbacks in most NSPs is the exclusion of the needs of marginalized and vulnerable populations - such as men who have sex with men (MSM), commercial sex workers (CSWs) and injecting drug users (IDUs) – who are key to all responses to HIV/AIDS. The UNAIDS/WHO 2006 AIDS epidemic update[5] noted that these high-risk behaviours significantly contributed to the increase in HIV prevalence rates across the globe in 2005. In Eastern Europe and Central Asia, 67 per cent of prevalent HIV infections were due to IDUs, 12 per cent due to CSW and 4 per cent due to MSM. In South and South-East Asia, 49 per cent of HIV infections were from CSW, 22 per cent from IDUs and 5 per cent from MSM. In Latin America it was 26 per cent from MSM, 19 per cent from IDUs and 17 per cent from CSWs. Despite their high-risk behaviour, these groups are excluded from the NSPs due to the nature of the behaviour of the affected people. All the Cosponsors, in close collaboration with the UNAIDS Country Coordinators, should see to it that these groups of affected people are included in the NSPs of the affected countries concerned.

One national AIDS coordinating authority

50. The most common vehicle for achieving the second of the Three Ones in many countries is the National AIDS Council (NAC). Most NACs were established and mandated by an act of the parliament or the legislature of the country concerned. In countries severely affected by the pandemic, NACs are in most cases operating under the office of the President or the Prime Minister to provide the requisite authority. In some countries, they report directly to the Minister of Health. While this is an important achievement, the functionality of this structure and how stakeholders are able to align with it will define its role in achieving country level results.

51. The Inspector recognises that the establishment and maintenance of a broad-based NAC, with the involvement of diverse stakeholders, is a political as well as a technical issue with its related problems. The Inspector believes that it would be too ambitious to create a new multi-sectoral mechanism with a responsibility to lead and coordinate well-established and powerful stakeholders. The launching of an infant NAC mechanism into a complex and highly politicised national AIDS response has caused tensions and frustrations among the various

[5] Available at http://www.who.int/hiv/mediacentre/2006_EpiUpdate_en.pdf

stakeholders, and in some cases has lost their support. In many donor-dependent countries, donor conditionality has influenced the speed with which NACs were established, as well as their organizational structure, without full acceptance by the countries concerned.

52. The role and responsibilities of NACs are also not well defined. Many NACs have been charged with a broad portfolio of responsibilities - strategic direction, coordinating the national response, resource mobilization, mainstreaming HIV/AIDS and donor coordination. In some countries, NACs act as a project-implementing agency. Also, there are other AIDS coordinating mechanisms at the country level, such as the CCMs of GFATM, which often find themselves in direct conflict with the role of the NACs. In some countries, the NAC is responsible for funding the national response, which raises expectations and exacerbates tensions with other ministries, as well as overwhelming the staff with work for which they are neither prepared nor adequately equipped.

53. The coordinating role and responsibilities of the NACs also needs to be strengthened. During his field visits and discussions, the Inspector observed significant difficulties in overseeing and coordinating the national response by the NACs. The NACs are established with an ambitious mandate to coordinate responses from non-government sectors including the United Nations system, civil society and the private sector, which is quite new to the normal remit of government agencies. Government agencies, which are usually involved in sector policy-making and programme implementation/service delivery, find it increasingly challenging and at times even frustrating to coordinate other sectors.

54. The NACs are, in most cases, placed under the office of the President or the Prime Minister to demonstrate political commitment and to provide them with greater authority and independence from other arms of government so they can effectively coordinate other sectors; however, in reality, there is a lack of clarity with regard to their role vis-à-vis the line ministries, as well as their role and potential contribution to the implementation of HIV/AIDS-related targets. This gap particularly affects the mainstreaming efforts of NACs to include HIV/AIDS as part of the plans of individual Ministries. The Inspector also observed that in many countries, there is confusion and often perceived competition between the roles of the Ministry of Health and the Ministry of Finance and Planning, that has sometimes put NACs in direct conflict with those entities that they are expected to lead and coordinate.

55. The Inspector notes that the primary objective of the membership of the NACs is to provide broad-based representation and a partnership bringing together State and non-State actors to mobilize their constituents and to ensure good governance practice in directing and overseeing the work of the NACs. In reality, this dual role is problematic for many NACs because each role requires different skill sets and different types of representation from their respective constituents.

One agreed country-level monitoring and evaluation system

56. Monitoring and evaluation (M&E) ensures that the national plan responds to the needs of the country concerned. Monitoring the epidemic and the response to it makes it possible for national AIDS authorities to allocate their limited resources to best advantage, and to respond to emerging trends in a timely manner. Evaluating programmes enables them to learn whether they are achieving their objectives and, if not, to take appropriate action to improve or replace them. The key steps towards an effective M&E system include: (a) developing an M&E framework, with key indicators, aligned to the national strategy; (b) preparing a detailed M&E operational plan and budget, with clear implementation procedures; (c) developing and maintaining a functioning M&E system, with a functioning database populated by epidemiological and programmatic data.

57. Viewed against these steps, most Member States have started to develop a unified monitoring and evaluation framework. Although there is a long way to go before an effective M&E system is established, many Member States are establishing working groups composed of representatives from Government, donor agencies, civil society, the United Nations system, and academic institutions. These groups are seeking to identify and adapt the indicators most appropriate for their countries, and to harmonize the collection, analysis and reporting of the data needed for M&E. These groups have had to address the current disconnect in M&E systems, whereby there are national level systems and hundreds of different donor/civil society systems.

58. Despite some progress, important challenges for M&E remain: national monitoring and evaluation strategies are not always aligned to the national framework or NSPs, because many national strategies lack a focus on results and sometimes lack grounding in epidemiology. Also the M&E partner community has developed separate strategies that are often delinked from national HIV/AIDS policies and plans. A significant number of countries still do not have a funded, functioning M&E system, which has been developed through partner coordination. This is the case in many countries situated in regions with less access to technical assistance, including parts of Central and West Africa, Central Asia, the Middle East and North Africa, and the Pacific.

59. Shortcomings in M&E systems represent one of the most pressing challenges standing in the way of achieving the targets set by the Millennium Development Goals. The challenges include weak collaboration among stakeholders, shortage of M&E skills, insufficient financial and other resources for M&E, and the absence of well-functioning systems for collecting, analyzing and reporting on the data needed for M&E. UNAIDS should, therefore, undertake appropriate measures to ensure that Member States that have not yet put in place a well-functioning M&E system do so as soon as possible.

60. The implementation of the following recommendation is expected to enhance the effectiveness, coordination and accountability of UNAIDS at country level.

Recommendation 4

In order to enhance the effectiveness of Three Ones principles, the Executive Heads of the UNAIDS secretariat and the Cosponsors should assist the affected Member States to:

(a) Ensure that the national strategic plans of the affected Member States are revised in conformity with these principles, are costed with detailed workplans and include the marginalized and vulnerable populations, as well as refugees, in the national strategic frameworks;

(b) Ensure that the National AIDS Councils are established effectively with limited membership and with well-defined and clear roles and responsibilities;

(c) Ensure that the Member States undertake appropriate measures to put in place a well-functioning monitoring and evaluation mechanism and provide adequate technical support.

IV. ACCESS TO ANTIRETROVIRAL THERAPY

The 3 by 5 Initiative

61. By the end of 2003, it was estimated that only seven per cent of the six million HIV-infected people in need of antiretroviral therapy (ART) in developing countries were receiving it, with the biggest gap being in Africa. The 3 by 5 Initiative, launched by the UNAIDS secretariat and WHO in 2003, was one of the major efforts of the multilateral organizations to translate its resolutions into a global effort to politically mobilize and technically support large-scale expansion of ART where it was needed most. The initiative was intended to mobilize the international community to address the global inequity in access to antiretroviral therapy. All stakeholders endorsed it in 2004, and WHO undertook an ambitious, two-year programme of work to help countries scale up antiretroviral therapy as part of comprehensive national responses to the HIV/AIDS epidemic.

62. The target of the initiative was to treat three million people living with HIV/AIDS in low- and middle-income countries by the end of 2005. This target was based on the belief that it would be feasible to provide ART to 50 per cent of those who needed it. This was considered a necessary, achievable milestone on the way to the ultimate goal of universal access. The strategy aimed at increasing the numbers of people who are receiving ART, strengthening health systems and intensifying prevention efforts. The initiative was pursued through five strategic objectives (the 3 by 5 pillars): (a) global leadership, strong partnership and advocacy; (b) urgent, sustained country support; (c) simplified, standardized tools for delivering ART (the public health approach); (d) effective, reliable supply of medicines and diagnostics; and (e) rapid identification and reapplication of new knowledge and success (learning by doing).[6] The funding gap to achieve this goal was estimated to be at least US$ 5.5 billion, which was expected to come from multiple sources, including the national budgets of low and middle-income countries, multilateral and bilateral donors.

63. The Inspector noted that the initiative has achieved a limited amount. It was estimated that by December 2005, only 1.3 million people were under ART, about 20 percent of the number of people needing ART as shown in the table[7] below.

Table 3. Estimated number of people receiving antiretroviral therapy 2003 - 2005

Geographical region	Estimated number of people receiving ART December 2003	Estimated number of people receiving ART December 2005	Estimated number of people needing ART December 2005	Percentage of ART Coverage
Sub-Saharan Africa	100,000 [75,000–125,000]	810,000 [730,000–890,000]	4,700,000	17
Latin America/ Caribbean	210,000 [160,000–260,000]	315,000 [295,000–335,000]	465,000	68
East, South Asia	70,000 [52,000–88,000]	180,000 [150,000–210,000]	1,100,000	16
Europe and Central Asia	15,000 [11,000–19,000]	21,000 [20,000–22,000]	160,000	13
North Africa Middle East	1,000 [750–1,250]	4,000 [3,000–5,000]	75,000	5
Total	400,000 [300,000–500,000]	1,330,000 [1,200,000–1,460,000]	6,500,000	20

[6] *Treating 3 million by 2005 - Making it happen*, WHO strategy document 2003.

[7] Information obtained from *Evaluation of WHO's contribution to "3 by 5"*, May 2006.

64. The Inspector also noted that the significant achievement of the initiative was that it showed that with significant mobilization of resources and efforts from various stakeholders, antiretroviral therapy could be provided in even the most resource-constrained settings such as sub-Saharan Africa. However, the striking differences between regions in the percentage of ART coverage of the needy population underscore the fact that many countries are far from containing their growing AIDS pandemic. Sustaining this response even at current levels remains one of their biggest concerns. The Inspector also noted that new HIV infections are continuing to rise in many settings, adding to the global burden of AIDS. It is estimated that for every person brought under ART, there are six new infections. Prevention was an area within the 3 by 5 Initiative that received relatively little investment. Thus effective prevention interventions, such as, for example, mother-to-child transmission, were not properly prioritized.

65. One of the lessons learnt is that the 3 by 5 global target has made the idea of a universal access goal possible – even though this target was not reached. Future targets, like the Millennium Development Goals and the goals and targets of the United Nations General Assembly Special Session on HIV/AIDS need to be realistic and country-owned if they are to serve as beacons for planning and measuring progress. Disaggregated sub-targets are needed for subpopulations to guide equitable access and specific prevention targets should be duly and timely considered if the goal of universal access in providing treatment, care and support to all affected people is to be achieved.

Universal access to prevention, treatment, care and support

66. Universal access to care and prevention is the successor programme to the 3 by 5 Initiative. Member States have committed to a massive scaling up of HIV prevention, treatment and care with the aim of coming as close as possible to the goal of universal access to treatment by 2010 for all who need it,[8] including refugees and/or internally displaced persons (IDPs). Unfortunately, with the exception of Tanzania and a few other countries, most affected countries seem to place little emphasis on, or show no interest at all in, including refugees in their policy framework documents. As a result, there are a significant number of refugees worldwide who continue to suffer simply because of being refugees. It is, therefore, the Inspector's view that the United Nations should continue to play an increasing role to ensure that refugees are also included in the strategic policy framework documents of all the affected countries, without any discrimination, for the purpose of providing universal access to treatment, care and support.

67. The concept of universal access implies also that all people should be able to have access to information and services. The global commitment to universal access by 2010, if realised, will lessen a major burden on Member States. The Inspector believes that universal access will result in people staying healthier and being able to live socially and economically productive lives as well as keeping parents alive to care for their children. However, for a chronic disease like AIDS, 2010 is a relatively short time horizon, and it may be useful to project the challenge over a longer term period, for example at least up to 2015. As this is an ambitious goal that provides lifelong support, the scaling up towards universal access should be equitable, accessible, affordable, comprehensive and sustainable.

68. The Inspector is mindful of the fact that the rate at which people get infected still exceeds the speed at which people can be put on treatment. According to the current estimate, there are six new infections for every one person put on ART. Unless the rate of new

[8] See General Assembly resolution 60/1, 2005 World Summit Outcome.

infections can be dramatically reduced in the years to come, the affected Member States will only move further away from universal access. Furthermore, the Inspector believes that affected Member States must move beyond the focus on ART supply and confront the social and economic conditions which pose obstacles to access and optimal health outcomes. Based on his field visits and discussions with the various stakeholders, the Inspector believes that the major challenges, as explained in the succeeding paragraphs, need to be addressed to ensure that universal access becomes a reality and positive health outcomes for all PLHIV are guaranteed.

Coverage of treatment

69. Improving access to HIV treatment is crucial to fighting the spread of HIV and improving the lives of people living with the virus. However, it has been well established that access to ART differs dramatically between and within countries. For example, Botswana and Uganda, where the Governments rapidly responded to treatment needs, are now treating more than half of those requiring ART. In other countries, like Tanzania, the coverage is low. Furthermore, within the countries, the access to ART has been easy in urban centres, whereas patients in the rural areas have limited or no access. In Kenya, both the northern and the north-eastern regions were found to have very limited access to treatment. In South Africa, most people receiving treatment were concentrated in a few provinces. To ensure equitable access, the coverage of treatment sites has to be nationwide.

70. Importantly, universal access to ART requires better accessibility to HIV testing and counselling. The Inspector also understood that there were difficulties in making available diagnostic kits to the regions and the districts. This implies that not many people are aware of their HIV status. If people are not aware that they are HIV positive, they will only find out that they require treatment when they are seriously ill, which may already be too late. In consequence, the recent launching of a high-profile national voluntary HIV/AIDS testing scheme by the President of Tanzania who, along with his wife, was the first person to be publicly tested and the Government of Malawi's call to all sexually active people in the country to take an AIDS test, are excellent examples of leadership and government commitment to pioneering and steering a nationwide campaign in the fight against the HIV/AIDS pandemic that should be emulated elsewhere.

71. More importantly, business communities in all Member States should be urged to support HIV/AIDS voluntary testing initiatives by encouraging their employees to go for testing. With the implementation of Global Business Coalition on HIV/AIDS, Tuberculosis and Malaria programmes, such as the Blueprint for Business Action on HIV/AIDS, which are already common in many countries, the spread of HIV/AIDS at the workplace will be substantially decreased. Indeed, through voluntary testing, Member States will be afforded an opportunity to plan better and more effective intervention programmes. The adoption of the newest technology in HIV/AIDS testing, such as a simple finger prick now available in most developed countries, could also help to have many people tested. UNAIDS should, therefore, take cognizance of this reality by strongly advocating the need for the launching of national campaigns for voluntary HIV/AIDS testing in the affected countries and assist Governments to develop policies and programmes aimed at encouraging their citizens to voluntarily take HIV/AIDS tests.

Procurement and supply management

72. The need for better and more equitable access to ART programmes should be further supported by effective and efficient procurement and supply management. As scale-up continues, increasing numbers of patients are brought into ART programmes, underlining the need for the establishment of systems to procure and manage the supply of antiretroviral drugs (ARVs). Continuity in the provision of ARVs is crucial to the success of ART programmes. Any disruption in the procurement and supply will diminish the likelihood of positive health outcomes for individual users and will threaten the sustainability of ART programmes. The Inspector noticed the problem of lack of adequate stocks of ARVs and inadequate storage facilities in many places visited. This problem is particularly evident in the regional and district level facilities.

73. The problems in the procurement of ARVs relate to the lack of coordination between national authorities, civil society and donors. The procurement procedures of the affected Member States are quite different and at times contradictory to the requirements of the donors. This delays procurement and on many occasions creates tension between Member States and donors. The high cost of ARVs further exacerbates the procurement problems. Many of the affected Member States have found it increasingly difficult to procure cheap drugs due to their limited availability and doubts about their quality. Harmonization of procurement procedures at the country level would, therefore, be an important step in the right direction in terms of not only expediting the process of procuring the necessary drugs, but also in efforts to avoid unnecessary tension between the recipient and donor countries.

National health systems

74. Well-functioning, integrated, and fully operating public health systems at local, regional and national levels are a prerequisite for the successful roll-out of ART programmes. The national health systems in many of the affected Member States are facing an unprecedented challenge due to a lack of investment in health services and the rapid scale-up of ART. National health systems that were set up mainly to deliver short-term maternal and child health services suddenly have to cater for large numbers of PLHIV in need of lifelong chronic disease care. This has put an enormous strain on the already broken down and/or neglected public health systems in most of the affected Member States, which they find extremely difficult to cope with.

75. Furthermore, in most of the African countries visited, ART programmes are administered outside the reproductive health programmes, thus requiring additional health facilities. A significant proportion of donor funding, such as the United States President's Emergency Plan for AIDS Relief (PEPFAR), is devoted to improving the necessary infrastructure in hospitals and health facilities in the affected Member States; however, Governments should be encouraged to ensure that long-term plans are put in place, in order to sustain national health systems by seeking alternative ways of maintaining health service delivery in the future. More importantly, the Inspector believes that ART programmes should not be segregated, but should be integrated into sexual and reproductive health programmes and treatment services for tuberculosis and malaria.

76. The implementation of the following recommendation is expected to enhance the effectiveness, coordination and accountability of UNAIDS at country level.

Recommendation 5

In order to enhance the effective implementation of the universal access to the antiretroviral therapy, the executive heads of the UNAIDS secretariat and the Cosponsors should:

(a) Strongly advocate the need for the launching of aggressive national campaigns for voluntary HIV/AIDS testing and assist the affected Member States to develop policies and programmes aimed at encouraging their citizens to voluntarily take HIV/AIDS testing;

(b) Assist the affected Member States to ensure the harmonization of procurement procedures at the country level, as well as in establishing efficient supply management;

(c) Assist the affected Member States to ensure that antiretroviral therapy programmes are integrated into the sexual and reproductive health programmes and treatment services for tuberculosis and malaria.

The problem of brain drain

77. Inadequate numbers of health workers are a major constraint to the rapid scaling-up of ART programmes. The shortage of health workers in Uganda, Kenya, Botswana, South Africa, Tanzania and Poland has undermined possibilities of scaling-up. The shortage has placed additional pressures on already undersized and overburdened workforces. The availability of medical doctors and nurses against the number of PLHIV in these countries ranges from hundred to few thousands. The reasons are too many. In the most affected sub-Saharan African countries, many health professionals have died due to AIDS. The Inspector noted that the expansion in labour markets has intensified professional concentration in urban areas and migration within regions and from developing to developed countries.

78. Furthermore, there is an exodus of skilled health workers from public health services to the private sector due to attractive pay and working conditions. Most of the public health services suffer from low pay, poor occupational health and safety conditions, lack of training and prospects for career advancement, poorly supplied medical facilities, an acute shortage of staff, and poor management and overall health system governance. The Inspector believes that the magnitude of the health worker shortage cannot be overstated and that it requires an urgent, sustained and coordinated response with a focus on long-term training plans supported by immediate and longer-term financing of human resources.

79. The implementation of the following recommendation is expected to enhance the effectiveness of UNAIDS at country level.

Recommendation 6

In order to enhance the effective implementation of universal access to antiretroviral therapy, the executive heads of the UNAIDS secretariat and the Cosponsors should:

(a) Assist the affected Member States in developing policies and procedures aimed at developing combined short and long-term human resource strategies for the purpose of improving conditions for current workers;

(b) Provide technical support to develop adequate training programmes for health workers;

(c) Undertake advocacy programmes to discourage migration of health workers to other countries.

Stigma and discrimination

80. Although HIV discrimination is illegal in most countries, yet it still exists. Ignorance about how HIV is transmitted as well as homophobia, racism and anti-immigration sentiment combine to make HIV an extremely stigmatized condition. People living with HIV can experience prejudice and discrimination at their place of work, in accessing health care, in the media and among friends and relatives. HIV prejudice can prevent people from testing for HIV or accessing health care for fear of discrimination, or being associated with risk behaviours, or if diagnosed HIV positive. This has serious consequences for people's health and can limit the effectiveness of treatment.[9] In other words, stigma and discrimination continue to be an obstacle in rolling out universal access to all PLHIV in need of ARVs. The Inspector was given to understand also that stigma and discrimination discourage people from seeking the information and services that will protect them from HIV infection or determine whether they are already carrying the virus. It impedes PLHIV from adopting safe behaviours and seeking access to ARVs.

81. Also alarming is the fact that discrimination against the most vulnerable and neglected groups: women, intravenous drug users, sex workers and men who have sex with men is widely prevalent. In addition, HIV-related human rights are not high on the agenda of some of the affected Member States and international donors. Challenging stigma and discrimination, therefore, should continue to be central to the work of UNAIDS, aimed at campaigning for better legal protection against HIV-related discrimination; challenging national policies that discriminate against people affected by HIV; and developing awareness campaigns and producing materials that change people's attitudes and behaviour. More resources and political commitment should also be mobilized to address problems associated with stigma, discrimination, gender and human rights. The integration of all aspects of prevention and treatment interventions into public health systems will contribute immensely in terms of redoubling international efforts towards achieving the goal of eradicating stigma and discrimination against the affected populations across the globe.

82. The implementation of the following recommendation is expected to enhance the effectiveness of UNAIDS at country level.

Recommendation 7

The executive heads of the UNAIDS secretariat and the Cosponsors should assist the affected Member States in developing policies and procedures aimed at addressing the problem of stigma and discrimination. They should also undertake public awareness programmes to advocate that people living with HIV enjoy the same legal rights as everyone else.

[9] *Stigma and Discrimination*, National Aids Trust, at www.nat.org.uk/HIV.

Universal access vis-à-vis prevention efforts

83. One of the major challenges for universal access is the continuance of focus and efforts on prevention activities. The Inspector is concerned that in the countries visited the scaling-up of ART had shifted focus onto treatment and considerably weakened prevention efforts. The challenges posed by universal access are formidable and this has absorbed the available scarce resources. As a result, many of the civil society partners that were traditionally involved in community mobilization and prevention, have shifted their focus to treatment support activities, resulting in greater reduction in efforts towards scaling up of prevention activities.

84. Furthermore, the major part of donor funding is earmarked for treatment and the affected Member States are not able to allocate a matching share of domestic funding to prevention efforts. As stated in paragraph 68 above, unless the current rate of six new infections for every person put on ART can be dramatically reduced in the years to come, the affected Member States will only move further away from universal access. The Inspector believes that in order to halt and reverse HIV/AIDS by 2015, both prevention and treatment should be enhanced simultaneously. Treatment can make prevention more effective, and effective prevention will ultimately make treatment much more feasible and affordable. UNAIDS should, therefore, strongly urge the affected Member States, in coordination with their donors, to take the necessary steps to re-emphasize both immediate and long-term strategies for enhancing HIV prevention, in synergy with the rapidly expanding ART programmes.

85. The implementation of the following recommendation is expected to enhance the effectiveness of UNAIDS at country level.

Recommendation 8

The executive heads of the UNAIDS secretariat and the Cosponsors should strongly encourage and assist the affected Member States, in coordination with their donors, to take the necessary steps to re-emphasize the need to devise both immediate and long-term strategies for enhancing HIV prevention in synergy with the rapidly expanding ART programmes.

Long-term sustainability

86. The financial resources needed for HIV/AIDS show an increasing trend due to the increase in the numbers of people living with HIV and the expansion in HIV/AIDS programmes to serve more of those in need. According to UNAIDS estimates[10] the financial resources available for HIV and AIDS fall far short of what is needed to scale up towards universal access. UNAIDS estimates that the amount needed for an expanded response in low and middle-income countries will be US$18.1 billion in 2007, US$ 22.1 billion in 2008 and US$ 30.2 billion in 2009. Against this, the money received, the existing pledges, commitments and trends indicate that the available funds are US$ 10 billion for 2007 and the annual resource gap will therefore be US$ 8.1 billion in 2007. UNAIDS estimates that to meet the goal of universal access by 2010, available financial resources for HIV must quadruple by 2010 compared to 2007 – up to US$ 42.2 billion and continue to rise to US$ 54

[10] UNAIDS report entitled *Financial Resources Required to Achieve Universal Access to HIV, Prevention, Treatment, Care and Support*, dated 26 September 2007.

billion by 2015. To achieve this huge requirement, existing domestic financing and international donor commitments must be fulfilled and new ones made, and innovative financing mechanisms should be devised and implemented in order to tap new sources of funding.

87. Furthermore, the health systems in developing countries have been severely underfunded for decades and need significant investment over the long term to improve and expand provision to meet the universal access target. The WHO Commission on Macroeconomics and Health estimated that an additional US$ 27 billion per annum in aid is needed to strengthen the capacity of health systems so that they can deliver basic health-care packages effectively. Meeting this target would require a fivefold increase in donor spending on health and does not include free access to ART for everyone in clinical need.

88. The challenge of ensuring adequate funding for HIV/AIDS is daunting. ART programmes are a life long requirement for HIV/AIDS patients. All stakeholders the Inspector met during his meetings were concerned about the sustainability of ART programmes and the future treatment costs for the increasing number of people who had started treatment with the help of the available funds. There is, therefore, an urgent need on the part of UNAIDS to strongly advocate and help to devise some sort of innovative financing mechanism that would ensure the long term sustainability of ART programmes in all the affected countries.

89. The implementation of the following recommendation is expected to enhance the effectiveness of UNAIDS at country level.

Recommendation 9

The executive heads of the UNAIDS secretariat and the Cosponsors should strongly encourage and assist the affected Member States, in devising innovative financing mechanisms, both at national and international levels, to ensure long-term sustainability of antiretroviral therapy programmes.

V. THE ROLE OF CIVIL SOCIETY

90. In the fight against HIV/AIDS, civil society organizations,[11] often in partnership with the United Nations, gained prominence in advocating the multisectoral problems of HIV/AIDS. With increased rates of infection and the reluctance of the affected Member States to get more involved in devising solutions to problems inflicted by HIV/AIDS, civil society partners have developed to fill the gap. With the reluctant support of the affected Member States, civil society has gained the recognition of the international donor community, which has sought to channel development aid through them. Since its establishment in 1996, UNAIDS has been actively promoting partnership with civil society in the fight against HIV/AIDS. UNAIDS was the first United Nations programme to have formal civil society representation, in a non-voting capacity in its governing body. The PCB has five members representing civil society. The World Bank's Multi-Country HIV/AIDS Programme for Africa used NGOs as implementing partners. The Global Fund to Fight AIDS, Tuberculosis, and Malaria requires country proposals to pass through country coordinating mechanisms (CCMs), which also involve the participation of civil society.

91. Civil society's role is pivotal in the implementation of the target 7 - to have, by 2015, halted and begun to reverse the spread of HIV/AIDS. They are involved in a wide spectrum of activities in creating awareness, providing proper counselling, promoting safe sex, care and treatment seeking for HIV/AIDS cases. Many civil society partners possess unique qualities and comparative advantages, which make them particularly wellsuited to dealing with HIV/AIDS-related issues. The Inspector recognizes that civil society partners are often not under the same political constraints as government programmes. They have greater flexibility and the capacity to accommodate changing programmes and public needs. Indeed, they can innovate and implement new initiatives more easily. They are not only adaptable, but also work closely with the people most affected by HIV and AIDS. They have succeeded in intervention programmes at grassroots level that are dependent on understanding local social, cultural and environmental contexts, and on mobilizing and ensuring the meaningful participation of local populations.

92. The Inspector notes that while civil society's contribution to the achievement of the target is potentially great, several obstacles do exist in terms of ensuring their effective participation. For instance, adequate funding remains a major problem. As a result, the Inspector noted that many national civil society partners in Uganda, Kenya and Tanzania were scaling down projects to match funding patterns and abandoning more ambitious projects. In addition, the reluctance of donors to fund non project-related or overhead expenses in terms of salaries, rents or research, further limits their ability.

93. The other factor is government antagonism towards involvement of national NGOs in AIDS programmes. This conflict between Governments and national NGOs emanates mainly from the perception of competition for funding. Often the funds that donors have chosen to donate to national NGOs for HIV/AIDS initiatives might have been provided to the Government in their absence. Because of these perceptions, certain government agencies are hesitant to involve national NGOs in AIDS response. Furthermore, the United Nations system organizations are often unfamiliar and uncomfortable in dealing with non-State actors. Despite recent changes, most United Nations staff still view their primary working relationship to be with Government. Most Member States are reluctant to have a United

[11] Civil society organizations include international and national NGOs, AIDS service organizations, groups of people living with HIV and AIDS, youth organizations, women's organizations, business, trade unions, professional and scientific organizations, sports organizations, religions and faith-based organizations.

capacity and the necessary financial and human resources to enable them to undertake similar AIDS awareness campaigns in their respective countries.

100. The implementation of the following recommendation is expected to enhance the effectiveness of DPI and its relationship with UNAIDS both at country and global levels in the fight against HIV/AIDS.

Recommendation 11

The Secretary-General should:

a) Urge the Department of Public Information (DPI) to enter into a memorandum of understanding with the UNAIDS secretariat, with the objective of identifying critical areas of cooperation and collaboration and with a view to ensuring effective dissemination of information on HIV/AIDS-related activities across the globe;

b) Urge DPI to assist in building the capacity of those countries that do not have the capacity and resources necessary to undertake effective AIDS awareness campaigns in their respective countries.

VII. THE WAY FORWARD

A. United Nations niche

101. If there is one thing that has greatly intrigued and inspired the Inspector in the course of his mission in all the countries visited, it is the unflinching commitment and steadfastness of resolve that have been demonstrated by the representatives of various United Nations system organizations in their common efforts towards achieving the target related to the fight against HIV and AIDS. As a matter of fact, all the UNAIDS country coordinators (UCCs) in the countries visited have demonstrated their readiness and willingness to work closely with their colleagues from other United Nations system organizations within the framework of various country teams groups in relation to HIV/AIDS activities. Importantly, their close cooperation and collaboration with the national authorities have continued to be instrumental in supporting national efforts and response in the fight against HIV/AIDS. The Inspector has also learned that in countries such as Brazil, India, South Africa, Botswana, Poland, Russia, etc, that have plenty of financial resources of their own devoted to the fight against the pandemic, the only thing that the authorities in such countries want to hear is excellent innovative ideas from the United Nations family that could assist them in making the fight against HIV/AIDS much more effective, efficient and sustainable in the long run.

102. In other words, despite the tremendous successes and achievements of the UNAIDS secretariat and the Cosponsors in terms of sensitizing global public awareness to the issues of infection and transmission of the disease, prevention, treatment, care and support, stigma and discrimination, it is nonetheless rather discouraging to realize that the prevalence rate of infection continues to rise in most risk groups across the globe. More and more infected people are on treatment and the prospects for finding an effective AIDS vaccine and/or cure lie mostly in the realm of wishful thinking.[13] As a result of this unfortunate situation, and as the response of Member States to HIV/AIDS is expected to remain active for the long haul, notwithstanding the high costs associated with it, it is the view of the Inspector that if the organizations of the United Nations system are to remain valid and relevant in the fight against HIV/AIDS they should focus attention more than anything else on devising excellent innovative ideas and new strategies as alternative and/or complementary means to ensuring an effective, sustainable long-term response to HIV/AIDS.

103. On the other hand, a good number of Member States from poor developing countries have continued to depend heavily on foreign bilateral donors as a reliable means of funding in support of a national response to HIV/AIDS. If unchecked, this will be an extremely dangerous trend in the long-term sustainability of the fight against HIV/AIDS. The United States Government PEPFAR, GFATM, the Bill & Melinda Gates Foundation and the William J. Clinton Foundation, along with a multitude of other international NGOs have increasingly become the major sources of funding in most of the poor developing countries for treatment, care and support programmes. In other words, without foreign donors, it is safe to assume that national efforts in the fight against HIV/AIDS in these countries will not be sustainable in the long run; it is even possible that such efforts may collapse altogether.

104. There is, therefore, an urgent need for the United Nations to undertake deliberate strategic measures to assist poor developing countries, that have limited financial resources of their own devoted to HIV/AIDS, to devise new strategies and innovative development

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[13] Sabin Russell, "Buffett's gift lifts hope for elusive AIDS vaccine", *San Francisco Chronicle* (28 June 2006).

financing mechanisms that would enable them to respond to HIV/AIDS in a much more coherent, independent and sustainable manner than is currently the case. These may include innovative ideas on how, for example, to build not only effective local health infrastructures but also develop local industries, franchises, and other profit centres that can sustain and thrive from increased health-related spending. The Inspector believes that such financing mechanisms could contribute immensely in assisting the affected countries to respond to their specific needs, such as increasing the supply and lowering the price of drugs without compromising their quality.

105. For instance, GFATM and the international drug purchase facility UNITAID, are excellent examples of the kind of innovative financing mechanisms put in place during this decade in response to the fight against HIV/AIDS and other diseases. By the same token, it would be an excellent idea if most poor developing countries could be provided with the necessary and timely assistance that would enable them to establish their own versions of UNITAID and/or GFATM that would guarantee them sustainable financing of large-scale HIV/AIDS-related programmes for treatment, care and support. There is no doubt that any success in assisting the poor developing countries to attain financial independence and long-term sustainability in the implementation of their programmes in the fight against HIV/AIDS will not only help to establish a genuine public health policy for AIDS and bring the international community closer to achieving the goal of universal access by 2010, but will also be another giant step and an A-plus for the continued validity and relevance of the United Nations system organizations.

106. While the international community, and more particularly the United Nations system organizations, seem to be increasingly optimistic about the future prospects for the global fight against the HIV/AIDS pandemic, after more than 100 meetings/interviews with representatives of Governments, NGOs, civil society and more importantly with various officials of the United Nations system organizations in the countries visited, the Inspector has unfortunately come to the conclusion that the world is currently losing the battle against HIV/AIDS. One has only to look at the available numbers and statistics to be alarmed by the scope and magnitude of the public health problem that the HIV/AIDS pandemic continues to pose to the international community; and how difficult it has been for the affected Member States, despite the massive financial and human resources that have been deployed since the early 1980s when the first HIV/AIDS case was reported.

107. While there is no doubt that some progress has been made in the fight against HIV/AIDS, as indicated earlier, the numbers tend to show that more people are currently being infected with HIV than are being treated. In other words, new infections are continuing to outpace the global effort to treat and educate patients.[14] Consequently, in the absence of the urgently needed cure and/or vaccine, the adverse effects of HIV/AIDS will continue to afflict a significant segment of the world population, and more particularly poor people in poor developing countries for many more years to come.

B. Urgent need for AIDS vaccine

108. It is a common belief that a preventative vaccine would be the best way to control the spread of HIV. More than two decades ago, some HIV/AIDS vaccine experts proclaimed that an AIDS vaccine was but two years away from testing. Regrettably however, it has turned out that the prospects for finding an effective vaccine, as indicated earlier, are still elusive. According to some reliable estimates, the global AIDS vaccine effort is funded at

[14] "World losing fight against Aids", BBC News Update, 23 July 2007.

US$ 700 million a year – much of it for research - but the collective wisdom is that US$ 1 to 1.2 billion annually is needed for vaccine research. While the Global HIV Vaccine Enterprise has been seeking proposals for grants totalling US$ 300 million over the next five years for AIDS vaccine work, AIDS vaccine experts concede that what is holding up the development of such a vaccine today is not money, but the level of understanding needed to make a breakthrough.

109. In other words, some experts contend that HIV remains a devilishly complex foe because there are fundamental scientific studies that need to be conducted, concepts addressed and problems solved in order to understand the molecular nature of HIV and its interaction with the human immune system. For example, early attempts to develop a vaccine against it failed because the virus can quickly mutate into a form that sidesteps antibodies raised against it.[15] Twenty-five years into the AIDS epidemic, scientists still do not understand precisely which immune responses are necessary to protect an individual from HIV infection – the so-called correlates of immunity.

110. The recent decision by the international drug company, Merck, to halt trials on an HIV vaccine after a 10-year effort trying to develop it, is no doubt, a sad day for the global effort in the fight against the HIV/AIDS pandemic. The Inspector has learned that Merck's international trial, famously known as STEP, which is sponsored by the International AIDS Vaccine Initiative (IAVI) and funded by the United States National Institute of Allergy and Infectious Diseases (NIAID) involved 3,000 HIV-negative volunteers from diverse backgrounds between the ages of 18 and 45. Initially, Merck's vaccine showed an ability to turn on the immune system, which gave many people optimism that it would work. Indeed, it was hoped that exposure to the genes would prompt an immune response in the body so that cells containing the HIV virus would be recognized and destroyed.[16] Based on an interim analysis, and after it was discovered that more and more volunteers who were given the vaccine became infected, an independent monitoring panel recommended in September 2007 discontinuing the vaccination of volunteers, because it was generally believed that the trial was not only not efficacious, but was also headed for failure.

111. Nevertheless, despite this temporary setback, the need for an AIDS vaccine is more compelling today than at any time in the history of the pandemic. The need for creation of more sites in developing countries where vaccine trials can be launched is, therefore, imperative. Such trials require willing and informed volunteers, political support from host nations and a medical infrastructure that can track outcomes for up to five years from vaccination. Most of the effort to develop and evaluate HIV vaccines is borne by the National Institute for Health (NIH), Centre for Disease Control (CDC) and Walter Reed Army Institute of Research (WRAIR) in the USA; and by the National Agency for HIV/AIDS Research (ANRS) in France, with strong help from IAVI in New York, the European Union, initiatives in WHO and UNAIDS, and the recent commitment of the Bill and Melinda Gates Foundation to the Global HIV Vaccine Enterprise.

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[15] See Sabin Russell, "Buffett's gift lifts hope for elusive AIDS vaccine", *San Francisco Chronicle* (28 June 2006).

[16] "Merck abandons HIV vaccine trials". BBC News Update, 21 September 2007.

112. Moreover, the HIV Vaccine Trials Network (HVTN) established by NIAID in 2000, with 25 clinical sites in four continents, represents a major resource for clinical HIV vaccine research.[17] The Inspector strongly believes that despite the setback, scientists and activists in the field of vaccine research should not be discouraged or disappointed. HIV, being a tough adversary, there will undoubtedly be more setbacks in the future but with increasing commitment and perseverance, a safe and reliable vaccine will ultimately be found. However, success will require the best science and a sustained commitment from the industry, academia, Governments and donors. In an effort to help end the AIDS pandemic, UNAIDS, and more particularly the WHO, in close collaboration with IAVI, should redouble their efforts to ensure the successful development of a safe and effective vaccine against HIV/AIDS by continuing to bring together all the relevant partners and mobilizing adequate financial resources for vaccine research.

[17] See WHO, Sexually Transmitted Diseases at www.who.int/vaccine_research/diseases/soa_std/en/index4.html

ANNEX

Overview of action to be taken by participating organizations on JIU recommendations

JIU/REP/2007/12

		Intended impact	United Nations, its funds and programmes												Specialized agencies and IAEA												
			United Nations*	UNCTAD	UNODC	UNEP	UN-HABITAT	UNHCR	UNRWA	UNDP	UNFPA	UNICEF	WFP	UNAIDS	ILO	FAO	UNESCO	ICAO	WHO	UPU	ITU	WMO	IMO	WIPO	UNIDO	UNWTO	IAEA
Report	For action		☒	☐	☒	☐	☐	☒	☐	☒	☒	☒	☒	☒	☒	☐	☒	☐	☒	☐	☐	☐	☐	☐	☐	☐	☐
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Recommendation 1														L													
Recommendation 2														L													
Recommendation 3					E			E		E	E	E	E	E	E		E		E								
Recommendation 4					E			E		E	E	E	E	E	E		E		E								
Recommendation 5					E			E		E	E	E	E	E	E		E		E								
Recommendation 6					E			E		E	E	E	E	E	E		E		E								
Recommendation 7					E			E		E	E	E	E	E	E		E		E								
Recommendation 8					E			E		E	E	E	E	E	E		E		E								
Recommendation 9					E			E		E	E	E	E	E	E		E		E								
Recommendation 10					E			E		E	E	E	E	E	E		E		E								
Recommendation 11			E																								

Legend: **L:** Recommendation for decision by legislative organ

E: Recommendation for action by executive head

☐: Recommendation does not require action by this organization

Intended impact: **a:** enhanced accountability **b:** dissemination of best practices **c:** enhanced coordination and cooperation **d:** enhanced controls and compliance **e:** enhanced effectiveness **f:** significant financial savings **g:** enhanced efficiency **o:** other

* Covers all entities listed in ST/SGB/2002/11 other than UNCTAD, UNODC, UNEP, UN-HABITAT, UNHCR, UNRWA.